



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

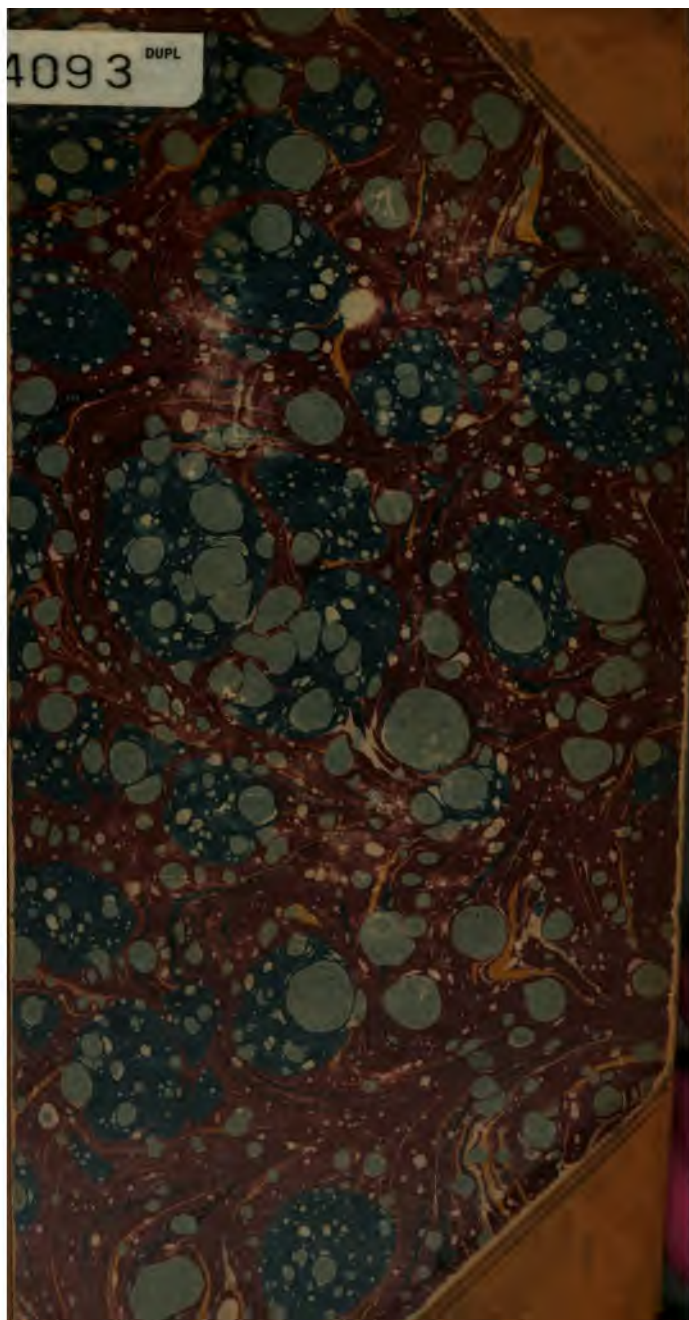
- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

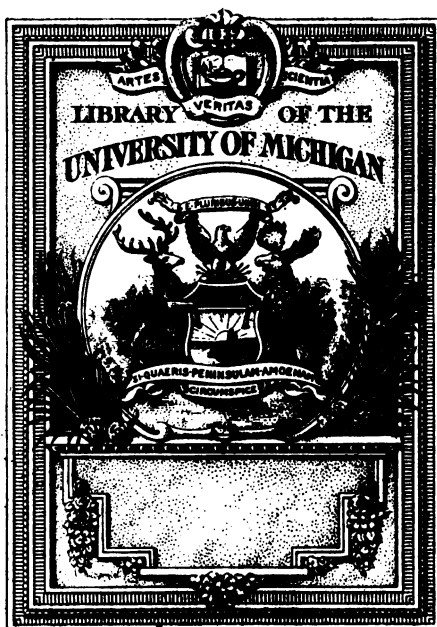
About Google Book Search

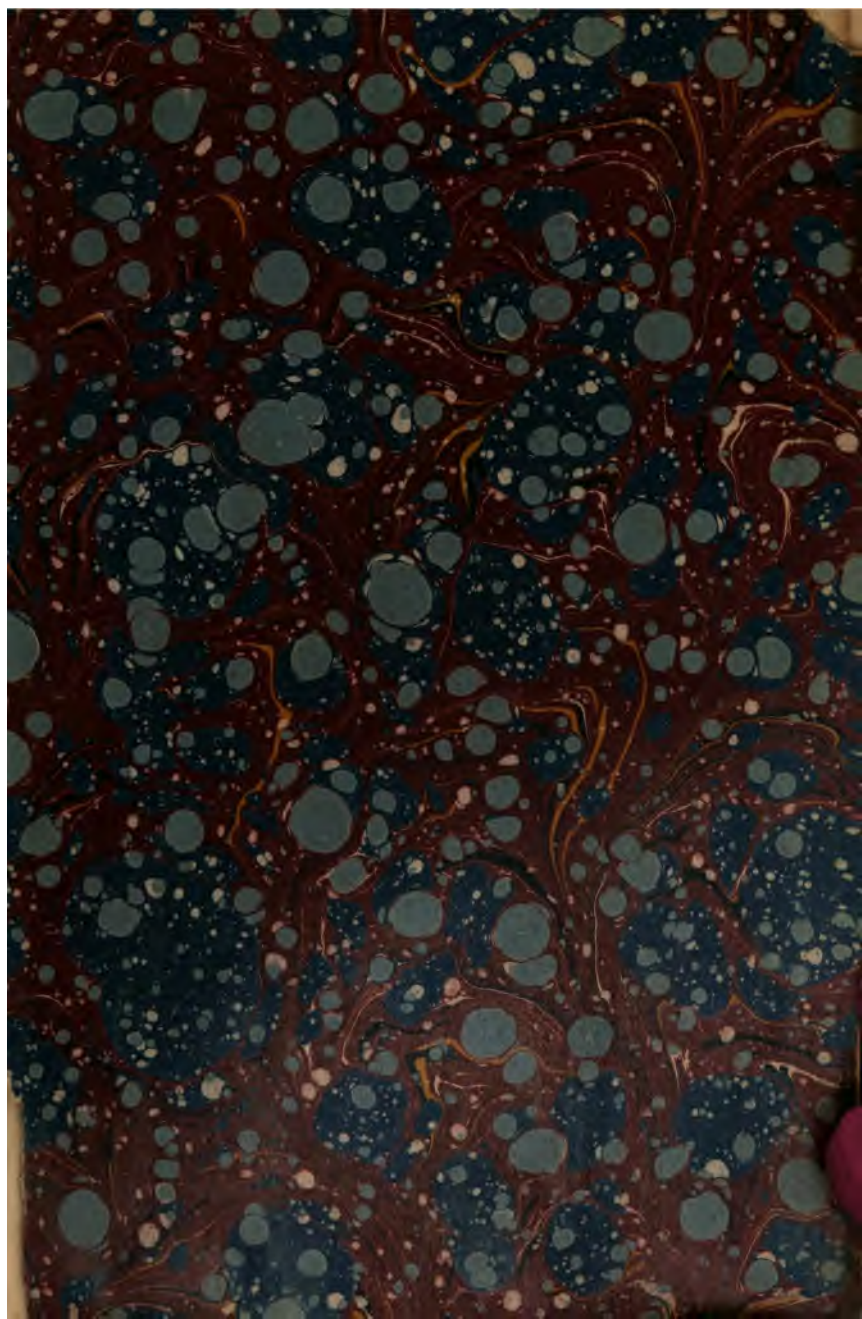
Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

4093

DUPL







259

HB

171

G348 p2

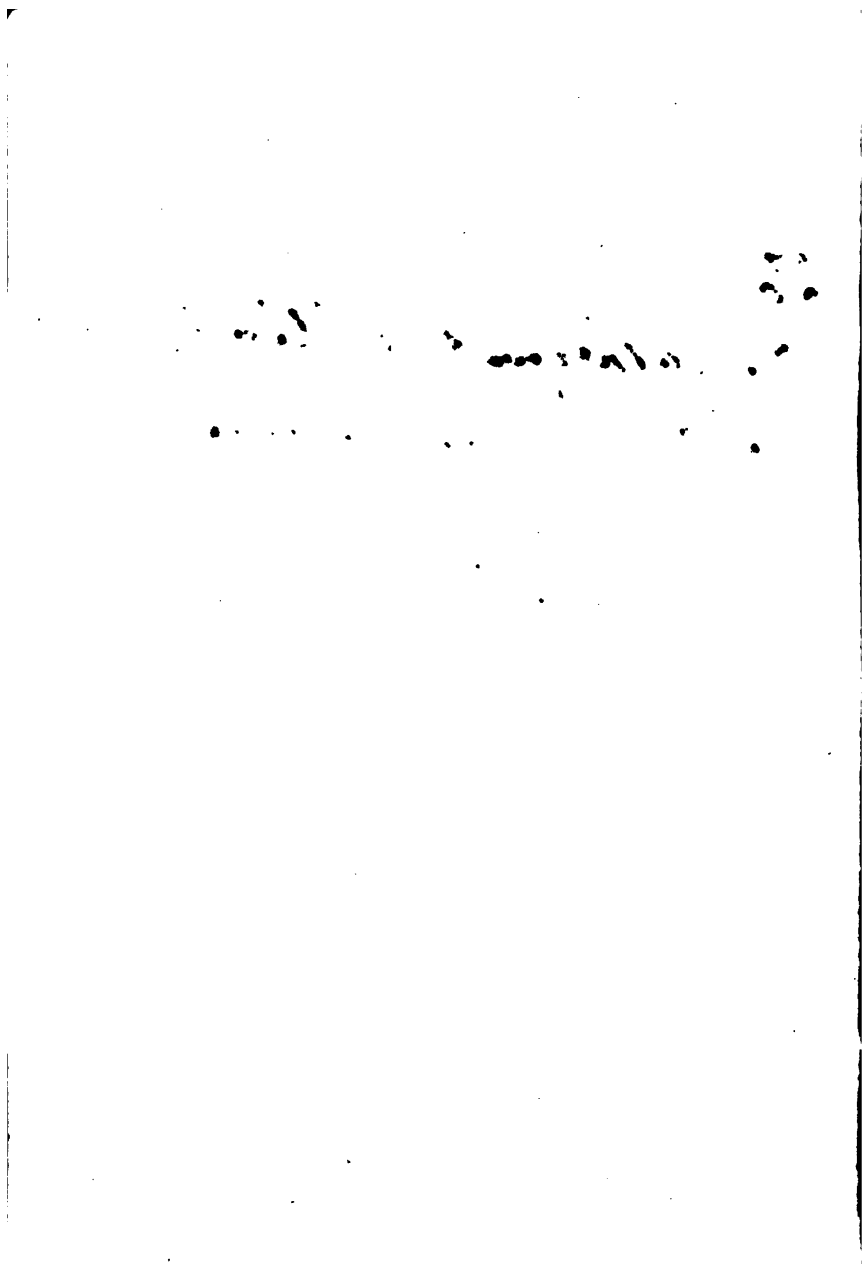
R9

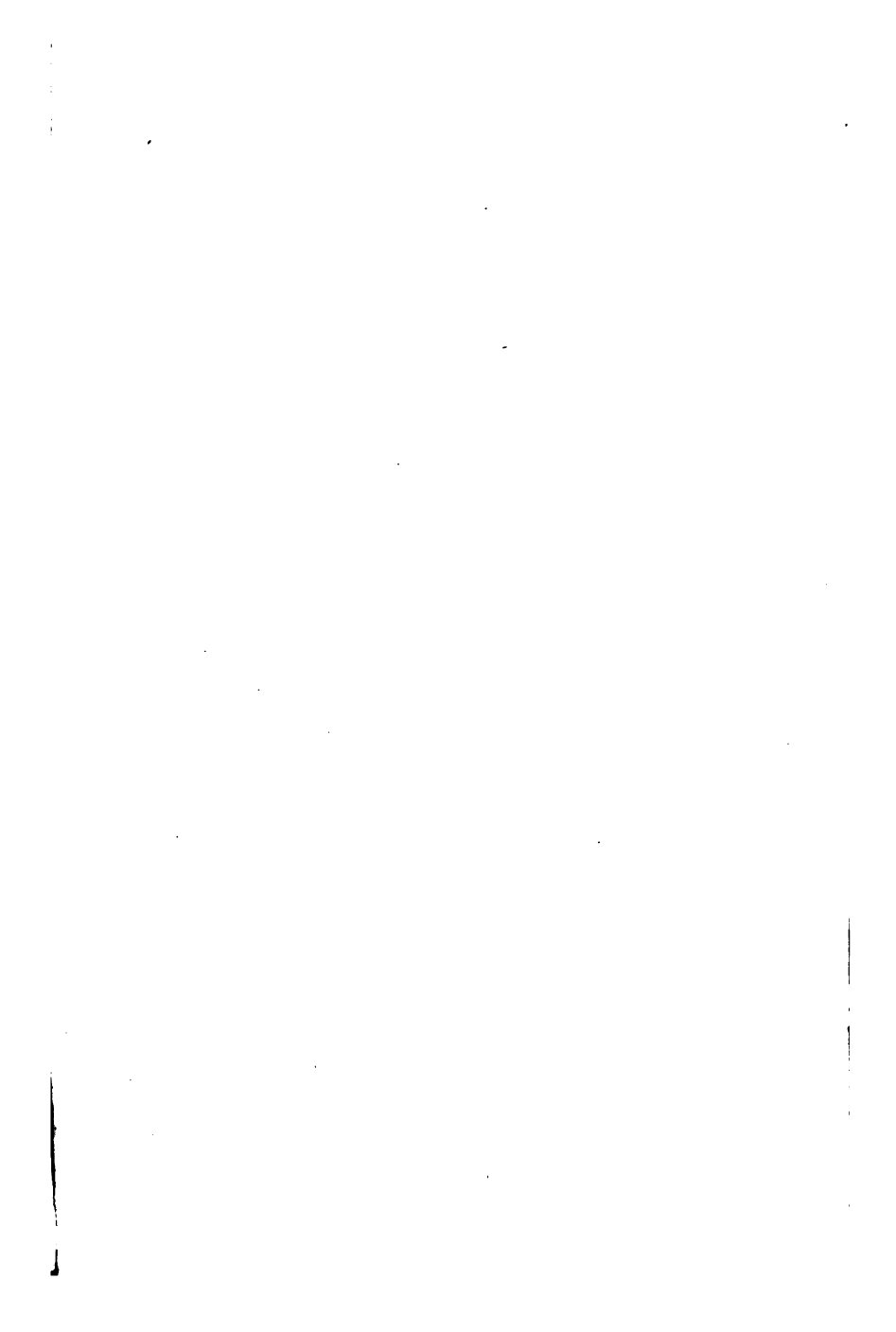
To

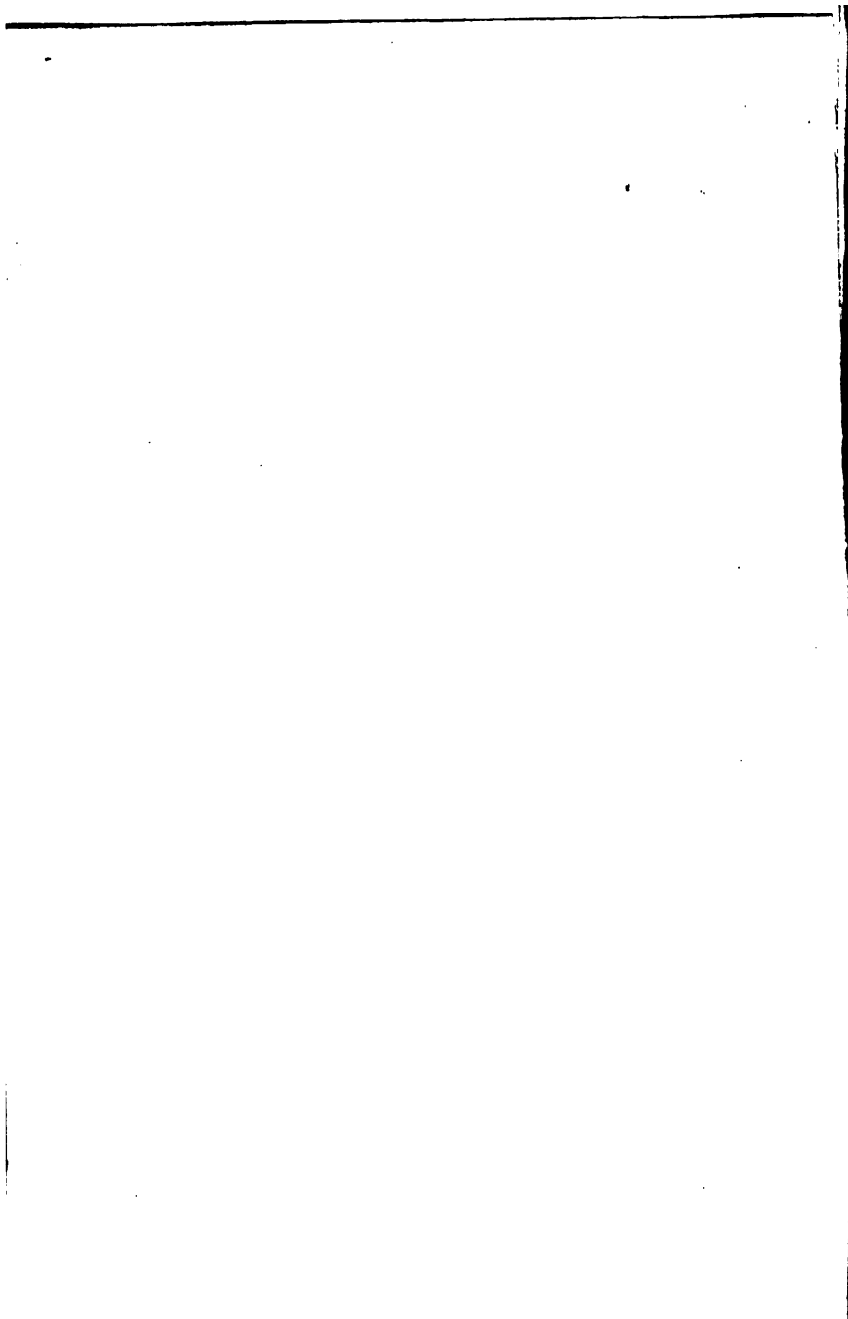
H. Rutherford Elliot,

with the compliments
of his friend,

R. C. Rutherford,







HENRY GEORGE

VERSUS HENRY GEORGE

91697

A REVIEW

reuben BY
R. C. RUTHERFORD

Words, words, words!

HAMLET.

Zounds! I was never so bethump'd with words,
Since I first call'd my brother's father, dad.

KING JOHN.

NEW YORK
D. APPLETON AND COMPANY

1887

**COPYRIGHT, 1887,
By R. C. RUTHERFORD.**

**Composition and Plates by
F. S. & C. B. BARTRAM,
120 William St., N. Y.**

To

BRONSON MURRAY,

This book is respectfully Dedicated

By the Author.

PREFACE.

EXCEPTING a few pages, the following chapters were written five years ago, in the conviction that the reception (which "The Washington Critic" truly says was "something phenomenal") given to Mr. George's book, "Progress and Poverty," by the press, and the recognition accorded to him, (as a modern Moses, come to lead the people out of the Egypt of poverty,) by men whose position, rather than any special qualification, gave weight to their express or implied endorsement of his theories—that this reception and recognition had made a work, singularly crude and inadequate in itself, potent for immeasurable mischief. The fact that this conviction was not acquiesced in by others; the hope (against judgment) that it might not be well founded, partially reconciled the writer to the circumstances which prevented their publication. But, since later developments have more than confirmed the first impression, and since, if there ever were justification for their publication, it is certainly still valid, they are now offered to the public.

Appreciating the difficulty of reaching the average mind by arguments based upon the principles of a science so little studied, and less understood, as that of Political Economy, it was felt that the best way to dispose of Mr. George, was

to let Mr. George dispose of himself. It required but a careful reading of his book to discover that this was not a difficult thing to do. For it abounds in contradictions, and no parts of it are in more pronounced antagonism than his fundamental principles. In treating his work, it is no part of the purpose to deny his "facts," or refute his theories, for all that he does himself; and it is only necessary to bring remote utterances into relations of comparison, to show, that all he builds up at one time, he pulls down at another. And the clearest conclusion of all is, that the practical result—the inevitable consequence—of his leading propositions and favorite maxims, would be that very poverty he so vividly depicts, so pathetically deprecates and seeks to "abolish" (to abolish by methods which lead directly to violence and revolution; revolution without alteration of the nature of man, or the conditions of the struggle for existence, or abolition of that disparity of gifts and powers which set up and perpetuate inequality in all the affairs and conditions of life.

Equality is a dream that can never be realized. And it is as undesirable as it is impossible. All variety is but a kind of inequality. It is the ground of contrast, the prime condition of individuality. There must always be great and small, rich and poor, strong and weak.

To prevent the abuse of power, to bring all more and more under the dominion of love and justice, is the mission of the philanthropist and reformer.

"It is excellent
To have a giant's strength; but it is tyrannous
To use it like a giant."

R. C. R.

A REVIEW
OF
HENRY GEORGE'S
"PROGRESS AND POVERTY."

CHAPTER I.

THE CASE STATED.

THE problem which Mr. George sets for himself, in this work, is to find the cause of poverty in the midst of abundance. The question in "its most compact form" is put thus:

"Why, in spite of increase in productive power, do wages tend to a minimum which will give but a bare living?" (P. 15.)

He has already told us that the cause of poverty is the same as that which lowers wages. (P. 15.)

Mr. George arraigns the current political economy with failure to answer this question, re-states it in italics, as if it were a profound problem, as if he did not see that it answers

itself—that any schoolboy could answer it, if it were put in terms of arithmetic, as, in a certain sense, it may be. Mr. George might as well have asked—for there is nothing more abstruse or difficult in it—why it is that, if twelve apples be divided among twelve boys each will get fewer than if they were divided among six, four, or two?

Given so much wood to be pitched into the cellar, and given so many apples with which to pay the boys for pitching it in, why is it that if twelve boys do the task, each will get a smaller share of the apples than if two boys had performed it? Is there anything labyrinthian or mysterious about that? And yet that is all, absolutely all, that is involved in Mr. George's problem from a purely politico-economical point of view, as will abundantly appear if we substitute for "productive power" its equivalent, *laboring hands*. ♣ "Why, in spite of increase of laborers, do wages tend to a minimum which will give but a bare living?"

The answer of the current political economy to this question, namely, "that wages are fixed by the ratio between the number of laborers and the amount of capital devoted to the employment of labor," or the amount of work to be done, is peremptorily repudiated by Mr.

George, although he admits that it "holds all but undisputed sway," and has "the endorsement of the very highest names among the cultivators of political economy."*

Whether we are to admire Mr. George for the audacity with which he assails these highest names, or are to stand amazed at his hardihood, will depend upon the success of his onslaught upon them. Mr. George moves to the assault with the declaration that the fundamental error of the old system is the assumption, that "*Wages are drawn from capital;*" and stakes his case upon his ability to prove the proposition: "*That wages, instead of being drawn from capital, are in reality drawn from the*

* In reference to pp. 16, 17 and 18 of Mr. George's book it is safe to say: If there be little to be done, and many hands to do it, wages will be low—no matter what the relative amount of capital may be; and, *e converso*, if there be much to be done, and few hands to do it, wages will be high, independently of the more or less or "seeming scarcity" of capital, rates of interest, rents, or real or speculative value of lands. But this implies both labor and capital, with a mutual dependence, and a law of their relationship, subject to modifications, but yet properly formulated in this general proposition of the "ratio of laborers to capital," Mr. George to the contrary notwithstanding. Interest depends upon the demand for loans—borrowed capital, directly—indirectly, upon the demand for products—not on the proportion of labor to capital. Demand for products is demand for capital, and the demand for *borrowed* capital, other things being equal, determines the rate of interest.

4 ARRAIGNMENT OF THE CURRENT SYSTEM.

product of the labor for which they are paid."
(Page 20.)

The motive and magnitude of his task, and the sweeping consequences of its successful performance, he thus sets forth:

"In short, all the teachings of the current political economy, in the widest and most important part of its domain, are based more or less directly upon the assumption that labor is maintained and paid out of existing capital before the product which constitutes the ultimate object is secured. If it be shown that this is an error, and that on the contrary the maintenance and payment of labor do not even temporarily trench on capital, but are directly drawn from the product of the labor, then all this vast superstructure is left without support and must fall. And so likewise must fall the vulgar theories which also have their base in the belief that the sum to be distributed in wages is a fixed one, the individual shares in which must be necessarily decreased by an increase in the number of laborers." (P. 21.)

It is far easier to demonstrate the insufficiency of Mr. George's arguments, than it is to present a synopsis of them, for he himself furnishes the matter of their own refutation.

He abounds in assertion, and generally it is only necessary to offset one assertion against another to invalidate his conclusions.

Mr. George, on page 23, affects to have refuted the doctrine that "wages are drawn from preëxisting capital," by a "*reductio ad absurdum*" of the proposition that "labor cannot be employed till the results of labor are saved."

Leaving out the quibble, based upon the double meaning of the word "employed," where is the absurdity? To *employ*, in the sense of use, and to employ, in its economic sense, are two quite different things. Does Mr. George mean to impute to any writer the utterance of the proposition that "labor cannot be used, exerted, applied, till the results of labor are saved"? He must convict them of that, or retract his fling about absurdity. For it is not absurd—however untrue it may be—to say that the "laborer cannot be hired" until the results of labor have been saved. *Employment*, as used in political economy, implies an employer and an employé; and the above posited proposition can be made to appear absurd only in the fog of Mr. George's ill-considered utterances about a man hiring or "employing himself," and paying "wages" to himself.

On page 61 Mr. George says:

"Nor even then shall I need capital, if I can make a partial or tentative exchange by borrowing on my wood."

The implication is that labor can be had without capital, because it can be obtained on credit. But even this is a delusion. The maintenance of labor, while waiting for its final wages, is capital. The *credit* itself rests on capital, real

or presupposed. It is immaterial whether you have saved the wherewithal to pay for labor, are going to save it, or are believed to be going to save it; the expectation is the ground of the credit. *Something that stands for capital* is a necessary condition of hire and payment of labor. The thing with which the payment is made *was* capital—"value in the course of exchange;"—*is* wages, and may be, an hour after, capital again. The question as to *how* the thing was produced—though unquestionably produced by labor, even so little as the picking up of a diamond or a nugget of gold—cuts no figure whatever in the problem, either as cause or effect, so the thing but have the "purchasing power."

We have his authority (p. 23) for saying that the factors in the first instance of any transaction represent the real elements of the case in all succeeding instances—no matter how numerous or complicated.

Let us apply this rule to the act of production. The thing to be produced is A. The producing agency is B. The thing with which to pay for the production of A is C. That the more there is of B, the more thinly will C be distributed, is apparent to the commonest understanding. And that is the reason why decrease of wages (C) follows increase of productive

power (B). Not decrease absolutely, but relatively to B. Twelve apples are twelve apples, whether distributed among twelve or two boys. It is the *obviousness* of this truth that has, not only caused it to be "accepted by a succession of economists, from the time of Adam Smith to the present day" (p. 19), and also to be "accepted as axiomatic by all the great thinkers who have devoted their powers to the elucidation of the science" (p. 20), but also the reason why "it is now rapidly permeating the general mind." (P. 16.)

It is this obvious truth that Mr. George denies and sets himself to disprove. And it is on the disproof of this, that he rests his hope of revolutionizing the whole science of Political Economy.

His presentment of the case, epitomized, is as follows :

The thing to be produced is A, and the thing with which to pay for the production of A is also A ; that is, the producing agency, B, is paid directly from A, the thing produced.

But A is not *capital*, nor can it be, until it is produced, therefore B is not paid from "capital," but from A, the product of B's own labor — which may, or may not, become capital, according to the use to which it is put. (P. 40.)

Admitting that all this is something more than a mere prestidigitation of words, can it be pretended that the producing agency B (the laborer) is "maintained," *while* producing A, from the product A? How can he live, while at his task, but by drawing upon something previously "stored up"? And if that something stored up be not capital, what is it? And if B's living—"maintenance"—be not a part of his wages, what is it? Indeed, is it not the *whole* of them, when "wages are reduced to a minimum which give but a bare living"—especially when his wages go into the till of the baker, butcher and grocer as soon as received? The meat of the butcher, the bread of the baker, the sugar, tea and coffee of the grocer, are "unhesitatingly set down as capital" by Mr. George. (P. 41.) Does not the laborer "trench on [this] capital" (p. 22) while employed in producing A, and thus draw his wages "in advance"? Or are we to be told that the bread, meat and groceries are capital on the shelves of the sellers, but cease to be capital when they come to the trencher of the laborer?

We should not be surprised to be told so, for much of Mr. George's logic is of this type.

"Capital is that portion of wealth which is [not may be] devoted to production." (P. 42.)

The demand for production will determine the amount of wealth converted into capital—devoted to production. The wages, *absolutely*, are the amount paid to the laborers, whether in the form of money or maintenance.

Working energy is “productive power”—whether it be laboring hands or labor-saving (labor-multiplying) machinery. The laboring capacity of John Jones’s two hands is limited. But if John Jones does all the work, he gets all the allotted pay. When the two hands of Charles Henry are added to those of John Jones, there is increase of productive power, and a corresponding decrease of John Jones’s wages *for that job*—a division of the wages fund between John Jones and Charles Henry. What *one* got before, is now divided by two. One goes into twelve twelve times. Two go into twelve six times. Is there anything sophistical or casuistic about that? Is it worth while to write a book to show that there is no necessary relation between the dividend 12, the divisor 6, and the quotient 2?

Mr. George is not fortunate in the choice of his words in formulating his question. He conjures up a witness against his own candor when he adopts a form of speech which would seem to be used as a subtle device to secure

the advantage of a false bias through a false implication. The "question to be asked" is: Why does increase of productive power tend to diminish wages? What, in fairness, has the little word "spite" (p. 15) to do with the question, if straightforwardness is to be the plan of the discussion? What does it mean here, and what honest purpose does it serve? "Why," says Mr. George, "in *spite* of increase in productive power, do wages tend to a minimum?" That is, why, *contrary to all expectation and the reason of things*, does increase of productive power tend to lower wages? If "in spite of" means anything, it means that. If it means that, it is a disingenuous attempt to forestall the judgment by begging the whole question. If it means nothing, it has no business there. The great thinkers—"all the great thinkers who have devoted their powers to the elucidation of the science"—tell us that "increase of productive power (multiplication of laborers) *necessarily* tends to diminish wages," and they think that this may be postulated as an axiom, having the force of a law. Then Mr. George rises and asks us: "Why, in spite of the law, do events occur in accordance with the law?" Imagine Mr. George asking Sir Isaac Newton: "Why is it that, contrary to all expectation,

—that is to say, in spite of the law of gravitation—all terrestrial bodies tend to the center of the earth?” What would Mr. George think if some one should ask him: “Why is it that, in spite of the increase of the divisor, the quotient tends to diminish?”

Yet this is precisely, in substance, what Mr. George asks us; it is the “compact form” of the momentous problem he proposes to investigate—the answer to which is to constitute the foundation of the “vast superstructure” of the new system of political economy which he proposes to erect.

But, supposing the question to be both fair and fairly put, why does not Mr. George go straight forward with his answer? After stopping to berate the shortcomings of the old systems, and the “great thinkers,” he says:

“For, if wages depend upon the ratio between the amount of labor seeking employment, and the amount of capital devoted to its employment, the relative scarcity or abundance of one factor, must mean the relative abundance or scarcity of the other. Thus, capital must be relatively abundant where wages are high, and relatively scarce, where wages are low. Now, as the capital used in paying wages must largely consist of the capital constantly seeking investment, the current rate of interest must be the measure of its relative abundance or scarcity. For, if it be true that wages depend upon the ratio between the amount of labor seeking employment and the capital devoted to its employment, then high wages (the mark of the relative scarcity of labor) must be accompanied by low interest (the mark of the relative

abundance of capital), and reversely, low wages must be accompanied by high interest. This is not the fact but the contrary." (P. 16.)

If Mr. George's proposition be true, it would seem easy to prove it without trotting off after a doubtful argument based upon "interest." Then why does he thus turn aside, at the very outset, to complicate the matter by introducing the element of "interest," when interest may, or may not have anything to do with it—is a "mark" even, only under conditions not necessarily involved in the question; *primarily* has nothing to do with the question, either as a constituent element or as a "mark."

In other words, Capital, Labor and Wages can, and often do, execute their full and perfect functions without the intervention of Interest in any manner whatever. Mr. George tells us, "and wisely too" (p. 23), that the simplest conditions of a fact, are the law and essence of its modes and nature in whatever complications. His example of the primitive man (p. 24) digging his daily rations of roots, is to the point. That is living from ground to hand, and from hand to mouth. If he digs to-day more roots than he needs, saves the surplus and with it hires Richard Doe to dig for him to-morrow, while he basks in the sun, or lounges in the

saloon, he performs and illustrates the perfect function and philosophy of Capital, Labor and Wages. There is no question of interest here as a "mark" or anything else. Nor will it come in till he wants to borrow some other digger's roots either to eat himself, or to pay out to another—nor even then, if the other digger be willing to lend without reward. In either case, what figure it may cut, as a "mark," will depend on circumstances that have no vital or necessary connection with wages, labor or capital.

It is a long way from digging roots with the finger-nails, to the McCormick Reaper. And yet, not one step on that way could have been taken without "Division of Labor." Nor was that division of labor possible without capital. Drawing still upon Mr. George's example: While each man digs his own bait, cuts his own poles, make his own lines, or nets, bobs, sinkers and hooks, and catches his own fish, there is no division of labor, no progress, no advance toward civilization.

Nor can Andrew dig worms while Peter catches fish (and so divide their labor) without capital. Enough fish, or its equivalent, must first be caught, and "stored up," to sustain Andrew while he digs, or he must leave digging to go

and catch his dinner. Without so much advance accumulation for Andrew's subsistence while digging worms, even so simple a division of labor is impossible—though it should be a provision but for a single day. The principle is, as Mr. George insists, precisely the same, whether the stock in store be one loaf and two fishes for Andrew, or bread and meat for a hundred men during the construction of a Corliss Engine. (P. 23.)

The small stock of fish saved—laid up for such a purpose—is as truly capital, as the large sum of money advanced for the building of the steam engine. Nor is it material whether Andrew alone, or Peter alone, or both together, accumulate the store, the stock in trade, the fund of fish—it is capital, a magazine, on which to draw while the hands are employed in work that does not give an immediate return of food.*

* It is no answer to say that Andrew would not need to dig a whole day at a time—or long enough to make it necessary to draw upon any laid-up store—that his breakfast would hold out till his task were done and he could take his next meal for a fresh supply—take it if he can get it: if not he must wait and go hungry till it be caught—and possibly starve in the meantime. But it is not a question of time. The principle is the same whether his stock stored up be for a month, or a day, or an hour. It is something saved from former takes to draw upon while he performs his “divided duty.” It may not be the strictly technical sense of the word, but it is no figure of speech to say that the reserve en-

It does not seem possible that anything can be plainer than this. And yet the denial of it and the assertion of the contrary, are the foundation of Mr. George's new theory of political economy.

He says it is the misconception of the fact in this regard, and a false assumption, that have led to the fundamental and all-pervading errors of the system he sets out to overthrow.

And yet, is it not already clear that there is no need to go beyond his first chapter, to show that so far as it turns upon this *fundamental* principle—this main proposition—his book is not worth a straw? If it has been shown that the "maintenance and payment of labor," all labor if you please, that is not addressed to the direct or immediate satisfaction of the individual wants of the laborer, "do trench on capital," "are directly drawn from capital," and only indirectly from the product of labor—the stored-

ergy which enables a man to work with both hands instead of feeding himself with one while he works with the other, the force expended in work between meals, is capital, whether stored up in his larder, his stomach, or his blood. Indeed there are political economists who go quite as far as this. I once heard Mr. Emerson remark, in reply to one urging the importance of dividing education into physical and mental training, that the most available store of physical power for the literary man was that laid up for him by his ancestors. Though his speech be that of a poet, it, at least, illustrates a truth of science.

up products which are in the strictest sense capital,—“then all this vast superstructure [of Mr. George’s] is left without a support and goes to the ground.”

But recurring to the passage quoted on pp. 11–12, and conceding the right of Mr. George to complicate, or elucidate, the question with the element of interest, let us see what he accomplishes by his attempt to do so. He will certainly not deny that, “if wages depend upon the ratio between the amount of labor ‘employed’ and the amount of capital devoted to its employment, the relative scarcity or abundance of one factor must mean the relative abundance or scarcity of the other.” And “thus, capital must be relatively abundant where wages are high, and relatively scarce where wages are low.” Undoubtedly, and, if interest, or the rate of interest, be the mark of anything to the contrary, it must make a false mark, or Mr. George has made a false use of it. Let us see which. He goes on :

“Now, as the capital used in paying wages must largely consist of the capital constantly seeking investment, the current rate of interest must be the measure of its relative abundance or scarcity.”

By what compulsion must it? If there were nothing else to affect the current rate of interest but the proportion between capital and la-

bor, this would be true ; otherwise not. But there is something else. So it is not true, and all that Mr. George has built upon it, "goes to the ground." The simple fact, that there are times among all peoples when wages are low and interest high together, that in some countries this relation is constant, as in India, where, by the Institutes of Menu interest is permitted to range from *15 to 60 per cent.*, while wages touch the lowest, living mark, are proofs sufficient to quite dispose of Mr. George's "this is not the fact." But Mr. George may say that it is the "element of insurance" that so exaggerates the rate of interest. Very true, and it is equally true, though Mr. George seems to overlook the fact, that the amount left after "eliminating the element of insurance" does not denote the "current rate of interest." It is only by "eliminating" and interpolating to meet the exigencies of the argument, that Mr. George makes out even a plausible case. But he shall have the benefit of his own statement. Respecting the proposition, that "low wages must be accompanied by higher interest," he says :

"This is not the fact, but the contrary. Eliminating from interest the element of insurance, and regarding only interest proper, or the return for the use of capital, is it not a general truth that interest is high where and when wages are high? Both wages and interest have been higher in the

United States than in England, and in the Pacific than in the Atlantic States. Is it not a notorious fact that where labor flows for higher wages, capital also flows for higher interest? Is it not true that whenever there has been a general rise or fall in wages there has been at the same time a similar rise or fall in interest? In California, for instance, when wages were higher than anywhere else in the world, so also was interest higher. Wages and interest have in California gone down together. When common wages were \$5 a day, the ordinary bank rate of interest was twenty-four per cent. per annum. Now that common wages are \$2 or \$2.50 a day, the ordinary bank rate is from ten to twelve per cent. (P. 17.)

Mr. George is as unfortunate in his examples, as he is in his language. In the economic relations of the parties, there is no difference between the primitive root-diggers, and the primitive gold-diggers. So long as Tom, Dick and Harry dug for themselves there was labor, but no call for capital or "wages." As soon as Tom hires Dick to dig for him, paying him out of gold saved, Capital and Wages come in, and the relation of labor, capital and wages is complete without any other "element," and might continue so to the end of their lives. But when Tom borrows gold of Harry, with which to pay Dick, and agrees to pay Harry back his gold with something added for the privilege of using it, then "Interest" comes in with its own laws, which may or may not modify, or "mark," the conditions of wages and capital; but in no wise can control or repeal them. When wages in

California were \$5. a day for common labor, there was a maximum demand for labor, with a minimum supply. There was also a proportional demand for capital, as in the nature of the case there must have been. If the employer has enough capital of his own, he has no occasion to borrow, and there is no question of interest. He would borrow only when he could pay the laborer his \$5 a day, the lender his twenty-four per cent., and still be a gainer by the transaction. And it is only necessary to bear in mind a fact so simple as this, to understand why it is that "in those alternations known as 'good times' and 'hard times' a brisk demand for labor and good wages is always accompanied by a brisk demand for capital and stiff rates of interest." (P. 19.) When people demand commodities at *any price*, labor will be employed at any price, and money (capital) will be borrowed at any price,—whatever measure of wealth there may be "seeking investment," (subject to the law of competition only), and however "seemingly scarce" capital may be.

So long as the employer can afford to pay a high price for labor, and a high rate of interest, he will do both sooner than decline either, if the capitalist see the situation, and demand the high rate, whether it be a "mark" or not, of more or

less of capital. But the essential thing of the California example—that to which Mr. George does not expressly call the attention of his reader—is, that the “rush” to California, if it did not *make* all the difference between \$5 a day and \$2.50 a day, it was at least strikingly coincident with it. And what was that *rush* but “increase of population”—of “productive power”? And what was the fall from \$5 to \$2.50 a day, but a tendency of wages to a minimum? Was not that in exact accordance with the “current political economy”? Is it not precisely what the “highest minds who have devoted their powers to the elucidation of the science,” would have predicted? And is it pertinent or ingenuous in the propounder of a new theory to ask: “Why, contrary to all expectation,” (for that is precisely what his “in spite of” implies) the event should happen precisely as it was expected to happen?

The fact, that increased private ownership was also coincident with, or even tributary to the decline in wages, is surely no refutation of the accepted doctrine that “wages are determined by the ratio between labor and capital”—a law nowhere more vividly illustrated than by Mr. George’s California example. When he wrote: “Wages and interest have gone down

together in California," he might have added:
- "and population and productive power have gone up," even though simple-minded people should infer that the going up of one, had something to do with the going down of the other.

CHAPTER II.

THE DIRECT SOURCE OF WAGES.

THERE need be but little sifting of Mr. George's matter, and some careful inspection of his manner, to discover that the numerous inconsistencies, and "total misapprehensions" of the "great thinkers" on which he would mount to preëminence, are as the froth of the sea to his aspiring feet.

One of these "total misapprehensions," according to Mr. George, is "a fundamental error as to the fund from which wages are drawn." He says :

"I am aware that the theorem that wages are drawn from capital is one of the most fundamental and apparently best-settled of current political economy, and that it has been accepted as axiomatic by all the great thinkers who have devoted their powers to the elucidation of the science. Nevertheless, I think it can be demonstrated to be a fundamental error—the fruitful parent of a long series of errors, which vitiate most important practical conclusions. This demonstration I am about to attempt. It is necessary that it should be clear and conclusive, for a doctrine upon which so much important reasoning is based, which is supported

by such a weight of authority, which is so plausible in itself, and is so liable to recur in different forms, cannot be brushed aside in a paragraph. The proposition I shall endeavor to prove, is:

"That wages, instead of being drawn from capital, are in reality drawn from the product of the labor for which they are paid." (P. 20.)

A Note is appended to explain that he speaks "of labor expended in production."

It is obvious that our author appreciates the magnitude of his task and the importance of being "clear and conclusive."

After reciting a long list of errors, dependent upon this "fundamental" one, he sums up thus:

"In short, all the teachings of the current political economy, in the widest and most important of its domain, are based more or less directly upon the assumption that labor is maintained and paid out of existing capital before the product which constitutes the ultimate object is secured."

If Mr. George show this to be an error, "and that, on the contrary, the maintenance and payment of labor do not even temporarily trench on capital, but are directly drawn from the product of the labor, then all this vast superstructure is left without support and must fall." If he do not show it, then Mr. George's vast industry is in vain, for, by his own heralding, this is the purchase with which he is to upset the old, and set up the new system. It "thunders loud in the index," but—it need not

"fright the ladies out of their wits," for, in the sequel, it roars "as gently as any sucking dove."

Re-stating the matter in a word: The whole vast superstructure of the current politico-economic science rests upon a false foundation, namely, a misapprehension as to the fund from which labor is paid. Current political economy teaches that it is paid from capital. Mr. George avers that it is paid directly from the product of *the* labor, for which it is paid.

This is what Mr. George is to prove. That is to say, recurring again to our author's "primitive man" — if he digs his own roots, he is paid for his labor directly from the roots — with the roots; roots are his wages. "The man comes to the water; good." So if he digs worms with which to catch fish for his own food, he is paid in worms. But if he digs worms for his neighbor and takes a fish in exchange — how now? Are these worms his wages? Adam Smith, Ricardo, Mill and all the "great thinkers," say, that *fish* stands for capital and is the wages for the digging. Mr. George says, no, — that the digger is still "paid directly from the products of his labor," to wit, worms. He is paid in worms, but eats the fish for which he has given the worms. And the man that sold the fish took his pay in worms. But if both are paid in

worms, what's the fish—wages, capital, or what? "The water comes to the man; good." (Pp. 20-22.) But Mr. George does not put it that way. Let us see if he put it better.

"In the simplest state of which we can conceive, each man digs his own bait, and catches his own fish. The advantages of the division of labor soon become apparent, and one digs bait, while the others fish. Yet evidently the one who digs bait is in reality doing as much towards the catching of fish as any of those who actually take the fish."

Therefore, he, too, is "really" fishing with the rest, and the fish he vicariously catches and takes in exchange, as wages, for his bait, which he "nominally" dug, is the "direct product of his labor"!

When I was a boy, and pumped the organ in Bishop Hopkins' stone church in Burlington, Vt., while the organist played voluntaries, oratorios, etc., I used to think: "We did it well," but never dreamed that I was doing "as much towards" making the instrument discourse eloquent music, as the organist. The "direct product" of my labor was certain, indiscriminate blasts of wind manipulated into "a concord of sweet sounds," by the cunning fingers of the man at the keys. But I did not take my "wages" in wind. I got a solid, silver half-dollar a day, and the organist forty times as much. From which I could infer that there was

"really" as much difference between pumping an organ, and fingering the keys, as there is between digging bait, and bobbing for eels. But perhaps Mr. George would say that this does not count, since pumping organs is "unproductive labor," and covered by his note of reservation. (P. 20.) But suppose that instead of pumping the organ, I had collected and hauled ashes for a soap-factory, and taken my half-dollar all the same, would my wages have been drawn *directly* from the product of my labor—the ash-heap?

That was what Mr. George set out to prove—not that in digging bait, Tom did as much *towards* catching the fish as Dick and Harry, the actual fishermen, but that he took his pay in bait, the product of his labor, that his wages were drawn from the bait he dug—not from the fish Tom and Harry caught, or are to catch. The prime condition of this small division of labor was something stored up—fish salted down. Tom must live while he digs—perhaps be clothed and sheltered. He did not dig worms to eat, but "to bait fish withal." And so far, at least, as his maintenance went, his wages came from a previous catch. And, if he dug "for a bare living," all his wages were drawn from a previous catch—which, being

something saved and "devoted to production" became, and was, "capital," even according to Mr. George. (P. 37.)

Mr. George does not help his case any by showing that "the reward each obtains for his exertions, comes from Nature." (P. 24.) That needs no proof. That is not what, with no small flourish of trumpets, he set out to prove. He did not set out to prove that if a man (p. 24) "dig roots and exchange them for venison, he is *in effect* as truly the *procurer* of the venison as though he had gone in chase of the deer and left the huntsman to dig his own roots." It is not necessary to deny that. Indeed, that might be the only way in which he could *procure* the venison, by reason of being a good root-digger, and a poor shot. But the *direct* product of his labor is roots, from which, Mr. George is to prove that, he draws his wages. But we see that he takes his pay for his roots in venison — which is not the direct product of his, but of another's, labor. He might have sold his roots for cash, and with the cash bought tobacco and beads, and then exchanged these with Sitting Bull for venison; but would that go to show that the root-digger drew his wages "from the product of the labor for which they are paid"? A most lame and impotent conclusion!

And these arguments are offered because Mr. George was not satisfied with having disposed of the whole question by a *reductio ad absurdum*. (P. 23.) As this attempt at the *reductio ad absurdum*, is a fair sample of his argumentative methods, it may be worth while to notice it. He says (p. 23) :

"We are told that 'capital is stored-up or accumulated labor'—'that part of wealth which is saved to assist future production.' If we substitute for the word 'capital' this definition of the word, the proposition carries its own refutation, for that labor cannot be employed till the results of labor are saved, becomes too absurd for discussion."

Is this true?

Let us substitute, as Mr. George suggests, and see : "*That part of wealth which is saved to assist future production*, is stored up or accumulated labor." (Of course "stored-up labor" can only mean, stored-up products of labor—things upon which labor has been bestowed.) In the concrete it is : Fish salted down to maintain A, B, and C, while catching, and salting down more fish ; or the salt junk, hard tack and side-meat stored up in a whaler, to sustain the seaman on their voyage. Is there anything absurd about that? Is that equivalent to saying that "labor cannot be employed till the results of labor are saved"? If not, is it honest to so set it down? Is it possible that a man who vol-

untarily undertakes to confute, by the force of inexorable logic, doctrines received by the "greatest thinkers," as axiomatic—a man who foresees that he must be "clear and conclusive"—has nothing to offer better than this? There is no art, by any device of substitution at our command, to read Mr. George's meaning into that passage, nor any choice but to think that he never did it himself.

And yet, absurd as the proposition is, to Mr. George's mind, there is a sense in which, with the qualification of a single word, it is true: That *kind* of labor which denotes the first departure from the lowest barbarism, namely, *divided labor*, cannot be employed till the results of labor have been saved. Andrew cannot leave fishing for himself, to dig bait for Peter, till he have saved fish—stored up the results of labor—on which to subsist while digging.

If this effort of Mr. George's, were the *reductio ad absurdum* which he assumes it to be, it would so effectually close the case, that he would have no call for further exertion in that direction. But with him it is only the beginning of trouble, the opening of the discussion at the very point where logicians generally are wont to consider it closed.

And it is safe to go still further and say that, without qualification, the proposition is strictly true. In the politico-economic sense of the word "employ," it is correct to say, that "labor cannot be employed till the results of labor have been stored up;" till capital has been accumulated. Certainly it cannot be honestly employed—if by employ is meant to utilize or hire, the labor of another—unless the employer already see his way to recompense it. He can see *that* only in his havings—something that he has saved—stored up beyond his own immediate need, whether it be an edible commodity or a fund of money. If Peter "employs" Andrew to dig bait, or to help him fish, the act implies the obligation and the means to pay him, whether in fish, or in money "salted down." If not from what he has already saved, from what he hopes to have and save—anticipating capital, involving credit, and implying the "capital of character;" a treasure stored up that counts in trade as well as acres of ground or crocks of gold. But capital can be anticipated in a *particular* instance only on the supposition of the preëxistence of capital in *general*.

The farther Mr. George goes in expounding the nature and function of capital, the farther he gets from the proof of his main proposition.

The accepted doctrine is, that capital is anything saved or reserved for the payment of labor not employed in, or devoted to the production of the immediate necessities of life. Capital is anything that may be used to support the laborer while performing his task—using the word "laborer" in the sense of, a hired person.

Mr. Mill indexes the subject in these words :

"Capital is wealth appropriated to productive employment."

"Whatever things are destined to supply productive labor, are capital." (Political Economy, vol. I, pp. 83-84.)

"As whatever of the produce of the country is devoted to production is capital, so conversely, the whole of the capital of the country is devoted to production." (Ibid., p. 86.)

On page 420 he expressly confines capital to that part of wealth "which is expended in the direct purchase of labor."

The same idea is found on p. 421 :

"The distinction, then, between capital and not-capital, does not lie in the kind of commodities, but in the mind of the capitalist—in his will to employ them for one purpose rather than another; and all property, however ill-adapted in itself for the use of laborers, is a part of capital, *as soon as it*, or the value to be received for it, *is set apart* for productive investment." (Ibid., p. 86.)

With Mr. George: "Capital is," besides a good many other things, "wealth in course of exchange."

Mr. George says : (p. 30 :

"John Stuart Mill . . . makes neither the use nor the capability of use, the test of capital. He says : 'Whatever things are destined to supply productive labor with the shelter, protection, tools and materials which the work requires, and to feed and otherwise maintain the laborer during the process, are capital.'"

Conceding the "frankness" and "notable candor," so frequently accredited to Mr. George, to what are we to ascribe his failure to recognize the fact that almost every word of the passage he quotes right under the nose of his assertion, by the clearest implication, flatly contradicts it? How can the things be "destined to supply productive labor with shelter, protection, tools . . . which the work requires, and to feed," &c., except as they are used, or are capable of use for those purposes? Had Mr. Mill inserted the words *to be used or* before "destined,"—the meaning could not have been one whit different or clearer than it now is.

And again on p. 39 :

"If Mill, by remitting the distinction to the mind of the capitalist, avoids the difficulty (which does not seem to me clear), it is by making the distinction so vague that no power short of omniscience could tell in any given country at any time what was, and what was not capital."

Here we give Mr. George's "test" :

"Now, if, after having thus separated the wealth that is capital, from the wealth that is not capital, we look for the

distinction between the two classes, we shall not find it to be as to the character, capabilities, or final destination of the things themselves, as has been vainly attempted to draw it [sic!]; but it seems to me that we shall find it to be as to whether they are or are not in the possession of the consumer." (P. 41.)

But how are we to know that they are in the possession of the consumer unless we know the "mind"—intention of the possessor?

Mr. George (p. 39) approves that definition which declares capital to be: "that portion of wealth which its owners do not *propose* to use directly for their own gratification, but for the purpose of obtaining more wealth"—or as "that part of a man's stock which he *expects* to afford him revenue." [The italics are ours.] And he says, (p. 39): "this is the only sense in which the term 'capital' expresses any fixed idea—the only sense in which we can with any clearness separate it from wealth and contrast it with labor;" which he now seems to think is the essential thing to be done.

Now, would it be impertinent to ask whether it requires less "omniscience" (barring the bull) to ascertain what a man "proposes" or "expects," than to find out what he desires, intends, or determines? Do not political economists generally, Adam Smith and Mr. George in particular, "remit the distinction to mind" quite as much as Mr. Mill?

It is worthy of note, as shedding light upon the quality of Mr. George's mental faculty, that this gratuitous fling at Mr. Mill, the approved definitions, with their "propose," "expects" and "fixed idea," are all to be found on the same page of Mr. George's Book. (P. 39.)

According to Mr. George, (p. 41,) a man's clothes are not capital, unless he be a tailor and makes clothes for sale. If the tailor makes a coat for his own wear, it is not capital; but if he makes one to sell, it is. But suppose he makes it to wear himself, then, incontinently, takes a notion to sell it to the first comer that takes a fancy to it; does it change its character with his change of mind, and become capital? Why not? It must be. Then any man may convert his coat or hat into capital by offering it for sale. He would become a capitalist if he "had to sell his shirt off his back" to get himself and dog a dinner. So, a "Georgia costume" (a shirt-collar and a pair of spurs) is potential capital, and "may be so converted" whenever offered by its owner for "Havana cigars," or "drinks 'round." Even Eve's primitive and scanty wardrobe would have turned into capital if she had offered to trade it with Satan for a peck of apples."

"If we must consider," he goes on to say (p. 39), "as capital everything which supplies the laborer with food, clothing, shelter, etc., then to find a laborer who is not a capitalist, we shall be forced to hunt up an absolutely naked man, destitute even of a sharpened stick, or of a burrow in the ground—a situation in which, save as the result of exceptional circumstances, human beings have never yet been found."

You are quite right, Mr. George, and you may be referred to Mr. George's "Own Book" on *PROGRESS AND POVERTY*, page 24, for the testimony and example, where he gives us the picture of the primitive man as fisher and root-digger, and also tells us, on the previous page, (23) that the "fundamental truth" that must be "firmly grasped and never let go," is that the law—the principle—is the same in the simplest and rudest relations, as in the most intricate and complex.

And we have already shown, from the same authority, how it required nothing but a trifling commercial transaction between Eve and Satan to convert her into a capitalist, and her fig-leaf into capital, by putting that article "in course of exchange."

On page 40, Mr. George gives a rule for distinguishing capital.

But, as a preliminary to a due appreciation of his performance in this behalf, let the reader turn to page 27 of his Book, and observe with

what a stately sense of his responsibility he approaches this subject; with what princely port he steps to the fore of the "many eminent authors" who have stultified themselves and bemuddled the reading public by "falling into grave errors from the same cause which they warned against," and how the new politico-economic Luminary will endeavor to avoid all these dangers; and how "requisite" it is to give "a much more definite sense" to such words as "wealth," "capital," "rent," and "wages;" and how, "as any term becomes of importance," [so to speak,] he will "clearly state" what he means by it, "and use it in that sense and no other;" and how he calls upon his readers "to bear in mind the definitions thus given," as his only ground of hope of making himself understood.

Then Mr. George goes on to make an exhibit of some of the numerous definitions, with their "differences," and "divergences," and "variances," and "ambiguities," and finally tells us:

"If Mill, by remitting the distinction to the mind of the capitalist, avoids this difficulty, (which does not seem to me clear), it is by making the distinction so vague that no power short of omniscience could tell in any given country at any given time what was and what was not capital."

Mr. George is "a remarkable man;" this is a "remarkable book;" these be remarkable words. See!

By the construction, it is the "difficulty" that does not seem clear to Mr. George. But to us it seems superfluous to say that a difficulty — *as* a difficulty — does not seem clear, — for on becoming clear it would cease to be a difficulty; unless it be clearly a difficulty. This is certainly not what Mr. George means. If it be the "distinction" that does not seem clear, then we understand why it is not clear to Mr. George; since "no power short of omniscience could tell," &c., &c. Of course that lets even Mr. George out without serious derogation from his discerning faculty; and his modesty in owning up, shall have its full meed of admiration.

Still, positive as it is, Mr. George's assertion is open to question. Taking it for granted that he says what he wanted to say — that he did not mean to say "no power short of" *omnipotence*; taking him as he says, it must be insisted that a measure of power far — very far short of Omnipotence, would be quite equal to the task of *telling* us all about it, after, once, by the divine attribute of omniscience, the "vagueness" had been thoroughly penetrated.

We have dwelt somewhat upon the phraseology of this passage of Mr. George's, because it illustrates, not only "the importance of lan-

guage in thought," but also the importance of thought in language.

Now let us get back to our mutton! On page 40, of Mr. George's Book, we read :

"Instead of determining what capital is, and then observing what capital does, the functions of capital have been assumed, and then a definition of capital made which includes all things which do or may perform those functions. Let us reverse this process, and, adopting the natural order, ascertain what the thing is before settling what it does. [1] All we are trying to do, all that it is necessary to do, is to fix, as it were, the metes and bounds of a term that in the main is well apprehended — to make definite, that is, sharp and clear on its verges, a common idea."

Mr. George tells us that "the functions of capital have been *assumed*," and the definition made afterward. He does not condescend to tell us when or by whom this unnatural deed was perpetrated, but goes on, at once, to "reverse the process." And, notwithstanding his implied protest against assuming the functions of capital, he would have us "ascertain what the thing [capital] is *before* settling [ascertaining] what it does." But if we are estopped from "observing what capital does" till we have "determined what capital is," how are we ever to "ascertain" anything about it?

It was not necessary for Mr. George to go farther than an *English Dictionary* to learn that "function" is derived from a word which means

to do, to execute, to perform; and that, by legitimate inference, the functions of capital are the actual or possible "*doings*" of capital. Had he known this, should we have been told that we are neither to assume the doings of capital nor to observe them, till we have ascertained what capital is? If, herein, our knowledge is not to come by observation, what recourse have we, but to assumption or conjecture? Here is a predicament. — We are neither to *assume* what capital does, nor to *observe* what capital does, but we are to ascertain what capital is "*before settling* [ascertaining] what it does." And this is what Mr. George means by "reversing the process." And this is the way he leads us out of the wilderness of "ambiguities" into which the masters led and left us. This is a taste of his style and "literary power" when he is especially exerting himself "to make definite, that is, sharp and clear on its verges, a common idea." (P. 40.)

Only "on its verges!" — "All that we are trying to do, all that it is necessary to do," is to make a "common idea," (so common, indeed, that it already, "in the main, is well apprehended"), "sharp and clear on its verges." No matter how dim, dull, blunt or obfuscated elsewhere, so it but be all right on its verges! To

this complexion have we come at last! This was all Mr. George had to do; and the reader can see how well it is done! With one lingering look at this little end of the horn, take another backward glance at the big end as it flares out on page 27, — of Mr. George's book.

But we are not yet done with this term, capital. It is one of the pillars, if not the very foundation of Mr. George's edifice, and it is really worth while, for the present purpose, to see what sort of a foundation he himself, makes of it.

According to him, the word is beset with "ambiguities," (p. 29), and "difficulties," (p. 33), which make it difficult "to fix the scientific use of the term"; "while economic writers vary so widely that the term can hardly be said to have any fixed meaning." Then he makes a series of comparisons to show how "widely" the definitions differ; that no two of them are alike, and that some are "very different"; and then says of four of them, that these "quotations sufficiently illustrate the divergence of the masters." (P. 30.) And after citing from the lesser lights — not classed with the masters — he states again that the quotations "already given are sufficient to show how wide a difference exists as [not now to the definitions, but] to the com-

prehension of the term capital"; (though on page 33 he informs us that "most people understand well enough what capital is," &c.,) but kindly adds, that "any one who wants further illustration of the 'confusion worse confounded' which exists on this subject among the professors of political economy may find it in any library where the works of these professors are ranged side by side"; and assures us that he "might go on for pages, citing contradictory and self-contradictory definitions."

If, by this time, one is not quite thoroughly disgusted with the seething, undistinguishable mess Mr. George makes of the abortive efforts of "the masters," and "professors," it is certainly not the fault of Mr. George's purpose, "sharp and clear on its verges," to make it so. But let us once more flash the light of Mr. George's torch into the mirk and gloom, and behold what an image of matchless beauty and faultless outline, that is, on its verges, starts into view!

"Now, it makes little difference what name we give to things, if when we use the name we always keep in view the same things and no others. But the difficulty arising in economic reasoning from these vague and varying definitions of capital is that it is only in the premises of reasoning that the term is used in the peculiar sense assigned by the definition, while in the practical conclusions that are reached it is always used, or at least is always understood,

in one general and definite sense. When, for instance, it is said that wages are drawn from capital, the word capital is understood in the same sense as *when we speak of the scarcity or abundance, the increase or decrease, the destruction or increment, of capital* — a commonly understood and definite sense which separates capital from the other factors of production, land and labor, and also separates it from like things used merely for gratification. In fact, most people *understand well enough what capital is until they begin to define it*, and I think their works will show that the economic writers who differ so widely in their definitions use the term in this commonly understood sense in all cases except in their definitions and the reasoning based on them."

Well, then, why not skip the definitions and fall back upon the "practical conclusions"? And if most people understand well enough what capital is until they begin to define it, why not write a book against the folly of defining and put an end to the pother at once?

The italicizing above is ours; and as a definition, or elucidation of the term, capital, we ask the especial attention of the reader to the words:

"The word capital is understood in the same sense as when we speak of the scarcity or abundance, the increase or decrease, the destruction or increment of capital."

We are far from seeking to make a point by garbling the text. We can make nothing of the words in their connexion (if they have any) and have no better success with them apart. The reader can try his hand at them both ways,

and "then to supper, with such appetite as he has."

On page 27, Mr. George promises as follows :

"It will be my effort, as any term becomes of importance, to clearly state what I mean by it, and to use it in that sense and in no other."

Without stopping to comment on the "thorough literary culture" displayed in this passage—the "style which rivals the genius of Newman and Macaulay"—we proceed to say, that if there is any place where "terms become of importance," it is in the body of a definition or elucidation. And yet Mr. George does not stay to tell us in what sense he uses "decrease" as differing from "destruction," in regard to capital, or what distinction it is, he would make sharp and clear on its verges, by the consecutive use of such synonymous words as "increase" and "increment"; or how we are to extract from them any "*sense* which separates capital from the other factors of production."—Nor does he seem to think his readers could wish to know *how* the word "capital" can be "always," or at any time, "understood in *one general and definite sense*;" since these two adjectives carry meanings diametrically opposed to each other. Mr. George might as well have said "in *one* indefinite and definite sense."

This may be all right, precise, definite, sharp and clear, to Mr. George and his admiring readers, but to us, it is quite too suggestive of Dogberry's "babble and talk — most tolerable and not to be endured."

Directly following the passage quoted above, on pages 41, 42, and from Mr. George's book, "Progress and Poverty," page 32, he plainly says :

"This common sense of the term [capital] is that of wealth devoted to the procuring of more wealth."

There can hardly be any question as to the clearness or soundness of that proposition, for that is the language of "the masters"; but one would as soon think of looking for it in the dream of Bottom the weaver, as in the preceding paragraph of Mr. George's book. (P. 32.)

However, it is "the essential idea," — the very idea which Mr. George himself, accepts as the correct one. And this idea, in spite of the "wide differences" which he has made so much ado about, is the dominant one, expressed or implied, in every definition that Mr. George has cited from the masters and great thinkers. And thus is seen the result of Mr. George's attempt to walk the waters of a deep and difficult science, with the bladders tied to his feet.

After setting forth some, out of the "pages" that might be given, of the "variancies," as he calls them, the "contradictions and self-contradictions" of the different definitions, and the endless "confusion worse confounded," to which they lead, and the bewildering muddle they make of one of the most difficult and momentous of sciences; putting Mr. George under tribute for a book of more than five hundred pages; and, after diligent endeavor to extract from the chaos something that shall be "definite, sharp and clear on its verges"; steering wide of the rocks and reefs on which the "great thinkers" have split and gone under—after all this, and the high hope he has aroused in us,—we are coolly dismissed with the comforting assurance that his definition, in the phrase of the immortal Toots, "is not of the least consequence" after all. (P. 42.) After mercilessly berating all other definitions, excepting Adam Smith's; after taking so much pains to "make sure of the meaning" of his "terms," and scoring the evils of not making sure; after urging "the importance of language in thought," and especially "the importance of clear and precise definitions," (p. 27,) he gives us this for his definition of Capital, the pivotal point of the whole science of political economy :

"*Capital is wealth in the course of exchange.*" (P. 41.)

He then tells us (p. 42) that his definition is not inconsistent with the essential idea of all other definitions — "wealth devoted to production"; and, last of all, declares the issue of his travail to be of no importance. This final "whistling it down the winds" comes over us more like a wet blanket than a "summer cloud." *Parturiunt montes* — "you know the proverb."

Mr. George's "digression," as he designates (p. 42) the matter on pages 27 to 42 inclusive, — if it elucidates nothing else, certainly throws some light upon his critical acumen, as well as upon his literary proficiency and argumentative faculty, — as displayed, not here only, but throughout his book. It is not overstepping the bounds of legitimate criticism one whit to say that the taint of incapacity or disingenuousness pervades it all. One knows not where else to look for so reckless and unremitting abuse of the Queen's English as, that which defaces these pages; unless, perhaps, among the mellifluous effusions of the "Sweet Singer of Michigan," whose book bears about the same relation to Shakespeare that Mr. George's does to Mill's Political Economy.

It may be easy for some "staunch polemic" to make a point against an adversary, by forc-

ing the definitions, putting his own meaning into other people's words, and then charging them with inconsistency, absurdity, *et hoc genus omne*, for not using the old terms in a sense accordant with the new stuffing.

Mr. George tells us what the term "wages" *ought* to mean, and then arraigns the whole fraternity of political economists for breaking a law which is now, for the first time, proclaimed. He can maintain his fundamental proposition, namely, that wages are drawn from labor and not from capital, (the accepted view,) only by re-defining the term. This he boldly does, by implication at least, and on his own responsibility, by the "sole power of his own unlorded will."

According to him, the case stands thus: The whole world has gone wrong on this question of the relation of wages to capital; and from this single error, an endless concatenation of evils has ensued. Under the delusion that wages are drawn from capital, Political Economy is swarming with inconsistencies, ambiguities, confusions, absurdities and self-contradictions;—and the towering climax of all evils, Progress and Poverty. All this multitude of mischiefs, Mr. George proposes to abolish at one fell swoop, by showing that wages are

drawn *directly* from labor — not from capital at all. How? Why, presto! by change of name. Henceforth we are to understand, that the thing that is taken from wealth to reimburse labor, is not to be *called capital*. Let it take any shape but this, and Mr. George's firm nerves will never tremble.— Shall it be wages? Mr. George will compromise on "wages," if you will agree to apply the same term to the oyster which the naked man knocks from the rock with a sharpened stick. Now, then : all capital is wealth ; all wealth is the product of labor ; (p. 36;) and labor is paid from the product of labor ; yet we must not say, that labor is paid from capital. Thus: If a man gather bird's eggs, the eggs gathered are his "wages" —the *pay* for his labor. Can any one be so absurd, Mr. George would ask, as to suppose that such pay is drawn from capital? If such eggs are *not* capital, then the "current theory" goes to the ground, and Mr. George is in high feather. But if they may properly be set down as capital, then the current theory stands, and Mr. George has his labor for his pains—an instance of "labor paying itself," to which he is heartily welcome. And yet, that we *may* class them (the eggs) as capital, Mr. George gives us ample warrant ; for that is precisely what he himself does. (Pp. 40, 41.) Ac-

according to him: If the egg-gatherer eats his eggs, they are not capital. He can eat *wages* but not capital. But if he saves his eggs, or a part of them, and shelves them in his shop window, "side by side" with his "cigars" and "false hair," and offers them for sale, they become capital. Now, that they are invested with the property of capital, by being offered for sale, suppose that the owner hires a neighbor to make packing-boxes for the eggs and pays him in eggs taken from his shop-window; are not the box-maker's wages drawn from capital? If not; from what—besides the shop-window?

"An absolutely naked man, thrown on an island where no human being has before trod, may gather birds' eggs or pick berries." (P. 44.)

Yes, and eat them, too; "and there is no capital in the case," or wages either. But if he should sell them, or a "part of them," to another naked man for a pair of spur, or a mug of beer, or, to get closer to Mr. George's example, for a "sharpened stick"; then his berries become capital—"wealth in course of exchange." (P. 41.) And if naked man No. 2 pass on a part of the berries to naked man No. 3, in payment for brewing the beer, are not No. 3's wages drawn from capital? If not, when, how, where, and by what magic did the

berries part with that quality? They are still "in the course of exchange."

Is not Mr. George deceiving himself by that very abuse which he so lavishly rebukes in others—the misuse of words? Does he know what the words "pay" and "employ" mean, as used in the science of Political Economy? If he does, is it fair, is it honest to introduce "misleading" metaphors into scientific discourse; especially after warning us that it is a "use of language that must be eschewed in reasoning that aims to be exact"? (P. 34.) Under this condemnation, what right has he to talk about the laborer "being his own employer"; or of a man "*paying wages* to himself"? "The eggs or berries I thus gather are my wages." Such *he* calls them, and in this displays his "originality"! And it is by this kind of originality that he seeks to raze the strongholds of the science of Political Economy and put himself atop of all the great thinkers. He could be quite as original in re-naming the rose; nevertheless it would smell as sweet and just the same.

Did it ever occur to Mr. George to ask himself: If the distinction between employer and employé, the capitalist and the laborer, be so dim or evanescent that both may be combined in and confined to the same person, how comes

it, that such a conflict exists between them as to keep the whole country in a perpetual broil?

No, the eggs and berries are the *fruit* of his labor, but not the "wages," as Mr. George might have learned by consulting the Dictionary. Nor is it any excuse for Mr. George's vagary here, that Adam Smith made the same mistake, since he corrected it by "immediately abandoning it." Not so, Mr. George. He insists that, according to "the economic meaning of the term wages," (p. 44,) the "primitive man," when "he obtained an oyster by knocking it with a stone from the rocks," (p. 53,) took it as his "wages" as truly as the hired laborer receives his stipulated reward as wages. He also says that "attention is concentrated upon the common and narrow meaning of the word, when it is affirmed that wages are drawn from capital." (P. 44.) He also says: (p. 50:)

"Labor always precedes wages."

True, but *hired* labor, (the *only* kind in which the question of "wages" arises,) never precedes *capital*. And right there, Mr. George, lies the point.

By "wages," Mr. Mill means, "that part of capital which is expended in the direct purchase of labor," and "all funds paid in exchange for

labor." Thus it is seen that the "common and narrow meaning" of the word, is also its politico-economic meaning. It is also the dictionary meaning, and the Bible meaning; there being but a single instance in that Book where it is used in any other sense than that involved in the relation of the hireling and his wages; namely, "the wages of sin is death." In which case the figure implies that the sinner has the devil for employer and pay-master. And it is obvious from the passage quoted by Mr. George, (p. 45,) from Adam Smith, that when he spoke of the "natural recompense, or wages of labor," he uses the word metaphorically, and not literally, as he afterwards consistently does;—a fact which Mr. George can find no better way to express than by saying, that Mr. Smith "momentarily recognizes it ["the truth"] to immediately abandon it"; evidence either of design on the part of Mr. Smith to adhere to the "common and narrow meaning of the word," or of an obtuseness glaringly in contrast with the clear perceptions and logical coherence of his modest commentator. However that may be, justified by the present predominance of authority, we shall be excused for sticking to the old usage till Mr. George gives us some better reason than he has yet offered, for accepting

the "primitive oyster-man" theory. But even Mr. George's little fiction of "self-employment," got up to do service as backbone to his new definition of "wages," (pp. 29-46-53-61,) is wholly superfluous, for, on page 186, we are plainly told that, "though there is neither employer nor employed, there is yet wages."

"Wages are the produce of labor." (P. 45.)

No one denies that all wages are the product of labor, in just so far as all wealth is the product of labor. But all the product of labor is not wages. If the produce of labor, eggs and berries, be consumed by the producer, it is not wages. If saved for the employment of other labor, it is capital. If paid out for such labor, it is wages — "pay," "hire," and that too, "drawn from capital," whatever labor may have had to do "directly," or indirectly, in the production of it.

The phrase "self-employing laborer," may serve the purpose of the poet, or moralist, as a convenient figure of speech, but when Mr. George uses it as a term in the logic of science, either as a ground or instrument of argument, he either betrays ignorance of his own, or presumes too much upon that of his reader. That it is the former, may be inferred from the fact

that he can repeatedly spread the immitigable nonsense out before his own eyes, and never once seem to perceive it. If a man can employ himself, (in any proper scientific sense,) then he comprises in himself alone, the two-fold character of employer and employé; is an employer, and "hired man" too, to all politico-economical intents and purposes — a "self-employing farmer," if you please, as much as any other employer. Now then, let us see what a mess Mr. George makes in the use of his chosen term. He says: (p. 46:)

"In the United States, where any general law of wages must apply as fully as in Europe, and where in spite of the advance of manufactures, a very large part of the people are yet self-employing farmers, the proportion of laborers who get their wages through an employer, must be comparatively small."

How can that be? Surely there must be as many people employed as there are employers. The self-employer employs, as employer, himself as laborer, and by the same token, pays as employer, himself as laborer, and so the laborer gets his wages "through an employer." That is, every self-employer has the two-fold character of employer and laborer, and the politico-economic relation is complete between them; and the commodity with which he, as employer, pays himself his wages, as laborer, must be con-

ceived of as something "in the course of exchange" from one party to the other, thus constituting capital.

If this be nonsense, Mr. George is responsible for it. Nor can he complain of it as hypercriticism, so long as he himself continues vehemently to protest against the vague, indefinite, or metaphorical use of terms by other writers. Nor is it any excuse for him that he was driven to the use of this preposterous epithet "self-employer," as a technique of science, by his definition, or rather notion, of wages, and the need he has of it as a prop to his rickety proposition, that "wages are drawn directly from the product of labor."

In fact this conception, or as we have seen, if not misconception, *forced* construction, of Mr. George's, is his sole dependence—and at best a bold, if not barefaced begging of the whole question. And he never wearies in effort to enforce assent to it. Again he tells us: (p. 46:)

"As soon as it is realized that the term wages includes all the earnings of labor, as well as when taken directly by the laborer as the results of his labor, as when received from an employer, it is evident that the assumption that wages are drawn from capital is at least in large part untrue, and the utmost that can with any plausibility be affirmed, is that some wages, (*e. i.*, wages received by the laborer from an employer,) ["self-employer"?] are drawn from capital."

This is letting down considerably from the "not even temporarily trench on capital," of page 22. And it is apparent too, that Mr. George is beginning to find that little word, "directly," too big a load for him to carry, and that he hopes to make better time by quietly dropping it. It will also be seen that, conceding to him the use of his term "self-employer," he here, unwittingly, of course, yields the main point in his case, by unequivocally admitting that all wages are drawn from capital, since they are "received from an employer."

The real significance of the above quotation, and, for us, the saving clause, is the "as soon as" with which it sets out. "When"—&c., "then," &c. — And not till then. And that will be long after Mr. George and his book are "gone glimmering through the dream of things that were."

CHAPTER III.

THE WHALE-SHIP AND THE CIDER-BARREL.

Still endeavoring to give galvanic vitality to his fundamental principle that "wages are not drawn from capital, but from the product of the labor for which they are paid"; he presents the case of a whaling vessel (p. 47) thus :

"For instance, on American whaling ships the custom is not to pay fixed wages, but a "lay," or proportion of the catch, which varies from a sixteenth to a twelfth to the captain, down to a three-hundreth to the cabin boy. [*] Thus when a whale-ship comes into New Bedford or San Francisco after a successful cruise, she carries in her hold the wages of her crew, as well as the profit of her owners, and an equivalent, which will reimburse them for all the stores used up during the voyage. Can anything be clearer than that these wages—this oil and bone which the crew of the whaler have taken—have not been drawn from capital, but are really a part of the produce of their labor? Nor is the fact changed nor obscured in the slightest degree where, as matter of convenience, instead of dividing up between the crew, their proportion of the oil and bone, the value of each

* An atrocious discrimination against the cabin boy, seeing that he, according to Mr. George, *devotes his labor as much towards the catching of whales as those that actually take the fish.* (P. 24.)

man's share is estimated at the market price, and he is paid for it in money. The money is but the equivalent of the real wages, oil and bone. In no way is there any advance of capital in this payment. The obligation to pay wages does not accrue until the value from which they are to be paid is brought into port. At the moment when the owner takes from his capital money to pay the crew, he adds to his capital oil and bone."

While the triumphant air with which Mr. George asks: "Can anything be clearer than that these wages have not been drawn from capital," &c., leaves no doubt that he would have us think the illustration perfectly conclusive to his own mind, it seems to us that he could not have chosen an example more ill-adapted to his purpose, or fatal to his theory.

Let us first ask, "on what meats" have the crew fed "all this while"? And whence *came* "all the stores used up during the voyage"? Though they "fish with a worm that hath eat of a king" they do not "eat of the fish that hath fed of that worm." Their *food* then is "no part of the catch." Are not the stores used up, "things devoted to productive labor"? Is not the subsistence of the crew, during the voyage, a part of their wages — on the theory that "wages include all the earnings of labor"? Will Mr. George say, that, for every pound of food they take from the hold, they put in ten or a hundred of blubber, or "oil and bone"? And that

the latter are more than the "equivalent" of the former? But an "equivalent" is a thing of equal value to another—not the same thing. To be paid in kind is quite a different thing from being paid in an equivalent, as any one who can "tell a hawk from a handsaw," can easily see. Can anything be clearer than that *that* portion of their wages (their maintenance) is "drawn from capital"? Were not the provisions, when they were bought, "wealth in the course of exchange"? And were they not bought and stored up in the hold of the ship to be "devoted to productive labor"? Were they not capital all this time? And if at any time they lost that property, was it not by virtue of their being "consumed" in the "maintenance of laborers"? Or if they ceased to be capital the moment they were destined to be consumed, were they not then drawn—and withdrawn from capital—"lessening" capital by so much?

How rapidly Mr. George is gliding down from his high horse, may be still further seen in a note on pages 52, 53 of his book. It is no perversion of its substance to put it thus: When a cigar-dealer takes a dozen cigars from his stock, where, (by Mr. George's own concession) they are capital, and "puts them in his pocket for his own use," he takes them out of "the

catagory of capital." — Catagory is a good word — in its place, and it sounds well here. But it will not do to conjure by. It does not suffice to show that there is any practical difference between taking a dozen cigars from a catagory and taking them from capital. Either the capital or the catagory must be lessened by the operation. Now, suppose that, instead of taking them out for his own use, he takes them out to pay the man for blacking his boots: are the boot-black's wages drawn from capital, or only from a catagory? If from capital, suppose that, instead of using them for his own gratification, he puts them back into the catagory by offering them for sale; they are now "in stock" again — and capital, Henry George being judge. Nor have they once lost that character, though used to pay wages, since, from first to last, they have been "in the course of exchange." Even a boot-jack is potential capital. Kept for the owner's use, it is wealth only. Shied at a cat, it would be capital, (*in transitu*), an article "in the course of exchange"; and well exchanged too, if it purchase its owner a night of slumber. — With the absolute triviality of the issue of Mr. George's travail staring one in the face, it is almost impossible to be serious, or even respectful.

"Can anything be clearer?"—quoth-a. (P. 47.) Why, yes, a good many things,—and this one above all, to wit: That this very "oil and bone," though caught out of the sea, are drawn from capital, and by a very straight line, too. They have been drawn from provisions "stored up" in the ship; from the ship itself; from every spar and marline-spike, from every fibre of cordage, and every implement *necessary* to make possible the "labor" of taking those fish from the sea, and the oil and bone from the fish; from, in a word, every dollar advanced in the enterprise, "devoted to the production" of that wealth, from the first inception of ship and outfit till its return. And, if it should go to the bottom with all its treasure of oil and bone, within a mile of port; would not just so much capital have been "advanced" and *lost*—and capital lessened so much by the disaster? Ask the investors and underwriters!

Furthermore, the oil and bone are capital, even by Mr. George's test—his own and his adopted tests; for are they not—the oil and bone—"wealth in the course of exchange," and "stock which the owner expects to yield him revenue"? Even that portion which goes to the crew, when paid in kind, is capital all the same, for they do not "expect" to eat it, but to keep

it "in course of exchange," and derive a "revenue" from it. Or if it cease to be capital when, and because, paid to the crew, then capital is lessened by so much. Is not that drawing from capital? Or is it only a withholding? And if it be *only* that, is the difference broad enough for a foundation for a new science of Political Economy?

At any rate, if the crew be paid in money saved for that purpose (capital), then even Mr. George must admit that all the oil and bone are capital; for none of it goes directly to the laborer; all of it is up for sale and put "in the course of exchange." Or, suppose the terms of employment to be, that the crew may choose, at the end of the voyage, whether they will take their pay in cash, or fish or oil and bone. Then, of course, not till the choice is made, can it be told whether that portion of the oil and bone are wages or capital. And as the whaler holds, or changes his mind, the oil and bone are capital or not. On so slender a thread as a fisherman's will, does the property of capital hang. Is not this a "remitting of the distinction to the mind," with a vengeance?

But, at last, Mr. George himself, virtually admits that, whether paid in cash or fish, the crew are paid in capital.

"At the moment [mark you, at the *moment*] when the owner takes from his capital money to pay the crew he adds to his capital oil and bone. (P. 45.)

And the logic is: he has taken no money out of his pocket, because "at the moment" he took out the money, he put oil and bone in! "The money ["his capital"] is but the equivalent of the real wages, the oil and bone." (P. 58.)

If the money is the equivalent of the oil and bone, the oil and bone are the equivalent of the money; and so both, as Mr. George uses the word "equivalent," are capital—from either of which the wages may be "drawn" and paid. If there be any difference between "drawing from capital," and "advance of capital," Mr. George has the benefit of a term in his conclusion which does not appear in his premises; and his allusions to formal logic warrant the inference that *he* knows the value of such an argument.

Mr. George says:

"The obligation to pay wages does not accrue until the value for which they are to be paid is brought into port." (P. 48.)

This may be the rule in fishing, but it is not in farming; as I find when I pay a man twenty dollars and board, a month, for sowing wheat and oats, and the winter kills the one, and a drouth the other. I find I am out the "wages,"

though the wheat and oats never "come into port." And, notwithstanding Mr. George, I imagine that the "Boss" fisherman sometimes has that kind of luck.

With regard to the "egg" example on page 48, where Mr. George represents men as employed to gather eggs for money—wages—coin; though they might be employed to be paid "in an equivalent of the eggs gathered,"—let us ask: Suppose it should so fall out that, for once, the egg-crop should fail, and the "stipulated wages were paid," as they would have to be, without their equivalent of gathered eggs; would not that be a draft upon capital? Of course.—And of course it always is in all the other cases supposed by Mr. George. The subtraction from capital is always the substantial fact, whether it be made good "at the moment" or by a subsequent addition, or not at all.

In this connection Mr. George asks a question (p. 48) which it is worth while to answer:

"Does not the coin represent the eggs, by the sale of which it was obtained, *and are not these wages* [the coin, he means] *as much the product of the labor* for which they are paid as the eggs would be in the possession of a man who gathered them for himself without the intervention of any employer." (The italics are ours.)

To the end for which Mr. George has them in hand, we answer unhesitatingly—No! Even

in the language of commerce, there is a well-understood and a well-taken distinction. The eggs of the egg-gatherer are the "product" (the direct fruit) of his labor. The "coin" received for them are the "*proceeds*" of their sale. It can in no proper sense be called the *product* of the labor of the egg-gatherer.* But even admitting that the coin (as wages) is indirectly the product of his labor, it does not help the case of Mr. George. What he has undertaken to show is, that wages are "*directly* drawn from the *product of the labor for which they are paid.*" (See his fundamental proposition, page 20, and the first four lines on page 22.) In no single instance has he shown this, except in the case of the primitive man who eats his roots as fast as he digs them,—and even here only under an assumed right to call his roots his "wages"; a very questionable right, as we have endeavored to show on pages 49–56. And besides, does not the root-digger, oyster-man ~~and~~

* Mr. George involves this matter in some confusion by failing to discriminate, or at least to use with the proper discrimination, the words *product* and *procure*. After promising to prove that wages are the *direct product* of labor, he keeps on treating the question as if, to obtain a thing *directly* by digging it out of the ground, knocking it from a rock, or picking it from a bush, were just the same as to obtain it by one, two, three or a "thousand exchanges." (P. 25.)

egg-gatherer combine, according to Mr. George, in his naked person, the two-fold character of employer and employed—hiring himself and paying himself in roots, or eggs, or oysters? Is not that an example of the "self-employer," and of things passing from employer to employed—"wealth in the course of exchange," after Mr. George's own definition of capital? (Pp. 41; 71.)

It is agreed on all hands that wealth is largely the product of labor; and that capital is that part of wealth, that part of the product of labor, which is devoted to further production. Yet, notwithstanding this obtrusive fact which Mr. George especially magnifies—that capital is the product of labor—he maintains, that there is a prodigious difference between drawing wages from the product of labor after it is called "capital," and drawing wages from the product of labor before it is called "capital." And the little word *directly* makes all "the mighty differ." "For, upon the assumption," he says, "that wages are drawn directly from capital, and not from the product of labor, is based"—a catalogue of fallacies, absurdities, contradictions and paradoxes, the very enumeration of which must make, not only the judicious grieve, but the student of Political Economy stand aghast. (P. 21.)

The misapprehension of the relation of the product of labor (which would be capital if it were not turned aside to reward labor, as the "oil and bone") to the laborer, is the mother of infinite mischief, makes a jargon of the Science of Political Economy, and indefinitely postpones the solution of the problem of squalor and want in the midst of abundance. So Mr. George says.

Now Mr. George will show us how it is, and how we may all, even those of us who have had "no previous reading," may pluck the heart out of this old-time mystery, by keeping a sharp eye on the chameleon Capital and catch its changes of color. One change is somewhere between the shop-window and the mouth of the consumer. Another, is a case of arrested development. "At the moment" the product of labor is about to become capital, it is diverted to the payment of labor: therefore, wages are not drawn from capital but from the product of labor. The momentous difference, with all its train attendant, turns on the precious *moment* when, by the timely diversion, the product of labor was prevented from becoming capital. A little later, and all would have been lost! On this slender thread of time—this critical moment—hang all the law and the prophets of politico-economic science for Mr. George. (P. 48.)

For, had the "moment" slipped, "and the product lapsed into capital, and *then* been used for the payment of labor—as wages—then wages would have been drawn *directly* from capital; Mr. George's fundamental proposition disproved, and the whole science left in as hopeless a muddle as it was before Mr. George meddled with it.

Again:

"Wages are drawn from the product of *the* labor for which they are paid." (P. 20.)

But, if the labor be without product—as daily happens with aborted ventures—how then? The wages must be paid from preëxisting capital, or capital yet to be created, or not paid at all. One instance of this kind, of which a dozen will occur to any reader, is sufficient to show the untenableness of Mr. George's position and dispose of the whole controversy.

A sample brick of Mr. George's logic, and "candor," may be seen on pages 49–52, in the attorney-like manner in which he attempts to wriggle out of the dilemma in which he clearly sees he has involved himself; and where he finally rests his case on "the essential point," that the payment of wages is made "*after* the performance of the work." *That* is the reason why wages are not drawn from capital—because "the employer always gets the capital created

by the laborer *before* he pays out capital in the wages." (P. 52.) (Note how his own language betrays him!)

Whether paid out of capital "created by *the* labor," or by some labor, or no labor, is immaterial. The "essential point" now is, that Mr. George here blunders into a complete surrender of the whole case,— or else is driven to it by the stress of his own argument, extorting the admission that wages are drawn from capital at all. How or when "created," "produced," or in what measure "lessened" or "increased," are as purely outside issues to the case before us, as would be the question, whether the capital itself consisted of cash, garden-truck or a cargo of warming pans.

Both the magnitude of the question and the brilliancy of Mr. George's logical achievement may be thus illustrated: A employs B to make cider, agreeing to pay old for new, one gallon for three. After the new cider is made by B, the old is drawn and paid over by A. Question: Is B paid *from* the new cider he has just made or from the old cider made before?

Answer, in substance, by Mr. George: (p. 52:)

"As the cider paid in the wages is thus exchanged for cider brought into being by the labor, how can it be said that the cider (wages) paid is drawn from the old barrel, or advanced by the old barrel?"

This may be a very *difficult* question to decide, but the "momentousness" of it, as a foundation for the science of Political Economy, does not appear.

Turn to this page, 52, of Mr. George's book, and note the manner in which the word "lessened" is made to take the place of the "drawn from," with which the discussion starts. Mr. George set out to show that the cider-maker's wages were not paid from the *old* cider at all, but wholly from the new—the direct product of his labor. Next, that no cider was drawn from the old barrel, though the old cider is used for payment of the wages. *Now*, the body and soul of the conclusion is, that the *total of the cider is not "lessened,"* because the new barrel is filled *before* the old one is tapped. And this "momentous" issue of the mighty argument, so lustily trumpeted, so pregnant with promise, shows its diminished head, at last, at the bung-hole of a cider-barrel.

One of Mr. George's proofs that the cider paid out was not drawn from the old barrel, is that there is more than enough of the new to replace it. That is, it is impossible to draw from the spigot and pour in at the bung at the same time—provided no more goes out at the spigot than in at the bung. You may subtract five

from ten and leave five if you stop there. But you cannot take five from ten and "after" that add six, because "the result shows" that eleven is more than ten. So a man who pays wages does not pay from capital, because the result shows, "if he is doing a remunerative business," an increase of capital—a surplus quart of cider—or if not in his, an increase somewhere, which is all the same to Mr. George. (P. 53.)

"If he is doing a remunerative business, which must in the average be the case," says Mr. George. But suppose he suddenly discovers that his business is in a state of collapse, and finds himself "out" to the tune of several thousand dollars. Is his loss from his capital? If not, what? Ask *him*. Or convince him that it is not, and he will thank you infinitely, or show himself as short in gratitude as in pocket,

Mr. George says, substantially, (p. 53,) when an employer pays his hands, money, Saturday night, after a week's work,

—"there was no more advance of capital than if he had hired his hands to dig clams, and paid them with a part of the clams they dug. Their wages were as truly the produce of their labor as are the wages of the primitive man, when he obtained an oyster by knocking it with a stone from the rocks."

It requires only a slight infusion of poetic imagination to view this through Mr. George's

glasses: You see, "the primitive man," as employer, hires himself as laborer, to knock oysters from the rocks and pays himself in oysters for his services. And yet we are only out of the frying-pan into the fire, for are not the oysters "wealth in the course of exchange"—oysters for labor, or so many clams for so much work? He sells his labor to himself and pays himself in clams. Mr. George can not say that the thing with which the self-employer pays himself, is not capital because it is not "wealth in the course of exchange." He estops himself from saying that.—Hear him:

"The man who works for himself gets his wages in the things he produces, as he produces them, and exchanges this value into another form whenever he sells the produce. The man who works for another for stipulated wages in money, works under a contract of exchange." (Pp. 61, 62.)

And in either case the product of the labor is "wealth in the course of exchange." "In performing the labor he is advancing in exchange; when he gets his wages the exchange is completed." (Pp. 61, 62.) As proof of the proposition, on which Mr. George builds his book—a "doctrine on which so much important reasoning is based," (p. 20,) namely, that wages are drawn directly from the product of the labor for which they are paid; is not the above "clear and conclusive"?

Take also his instance of the Gothard tunnel, (p. 59,) "in constructing which," he says, "there is no advance of capital," and suppose that after expending some millions of dollars, the projectors were forced by some insurmountable obstacle to abandon the enterprise — would there not then have been "advance," loss and lessening of capital? Ask the man who has sunk his fortune in a mining venture, whether he feels as though he had advanced and lost no capital?

In all these cases, Mr. George admits, (p. 60,) that capital "*is required*," it is only not "advanced." If he hire men to chop wood for him, and pay before the wood is sold, he "needs" the capital with which to pay the wages, but, *mirabili dictu*, "not for the payment of wages, but for the accumulation of a stock of wood!" (P. 61.) "*Tenues parvi discriminis umbrae*."

"Capital thus required is not required for the payment of wages, nor for advances to labor, as it is always represented in the produce of labor." (P. 61.)

Indeed! — Capital is not required for advances to labor, *because* capital is always *represented* in the produce of labor! Is it possible for solemn trifling to go further? Is it even true that capital is always represented in the produce of labor? Does *the* labor always produce its representative? Suppose that it does not produce: Suppose,

taking the wood-pile example, (p. 60,) that the accumulated stock gets burnt up, or washed away before it is sold and paid for; the owner who has paid the wages for chopping it, has not, according to Mr. George, advanced or lost any capital; he has lost only his "accumulated stock of wood." And the chopper, of course, took his wages out of the wood that was washed away!

On page 62, he says:

"At no time, unless wages are paid before the work is done, is the employer advancing capital to him" [the laborer].

Are we permitted to infer from this, that the wages paid before the work is done, *are* advanced from Capital? That, if, for example, mechanics were paid every Saturday night during six months for labor on a Corliss engine before the work was done, would capital be advanced to them? One would suppose so; but Mr. George does not mean to concede even so little. He denies even that their *maintenance* is advanced to them from capital. (P. 53.)

"The assumption that it is so self-evident that labor must be subsisted from capital that the proposition has but to be stated to compel recognition," upon "being resolved," this and its cognate propositions "are seen to be, not self-evident, but absurd; for they involve the idea that labor cannot be exerted ["employed"] until the products of labor are saved—thus putting the product before the producer." (Pp. 63, 64.)

We have already considered this latter point, (pp. 13-15,) and do not care to dwell on it here.

The best reason that Mr. George gives for denying the current doctrine, that labor is maintained by capital, is, that the subsistence of the laborer ceases to be capital as soon as it passes into the hands of the consumer. (P. 64.) The subsistence cannot be drawn from capital, because as soon as it is drawn and put "into the possession of those who will consume" it, it ceases to be capital. That is to say, if you put up cider for sale, it is capital; if you sell it to be sold again, it is still capital; but if you sell it to be drunk, it is not capital, and, as capital, is not lessened by its having been consumed. True, the cider is gone, but it was not drawn from capital, and so the barrel of liquid capital is just as full as ever. It is wealth all the way in the course of exchange, and therefore capital, till it comes to the drinker's lips. And, because at that moment it ceases to be capital, it cannot have been drawn from the barrel. But if, "at the moment" of passing it to his lips, he should change his mind, and offer the draft for sale to the highest bidder, instantly it would become capital again. One thousand barrels of flour in the market, are capital. The instant they are

6

sold to be consumed by the laborers in a Gothard tunnel, they cease to be capital—though they are not drawn from capital, nor is capital lessened by the instantaneous annihilation of a thousand barrels of capital! This is the kind of logic with which Mr. George beards the “great thinkers” in the science of Political Economy.

With that subtle insight and acuteness of discrimination which have given Mr. George his present preëminence over all precedent great thinkers upon this subject, he sights a distinction of vital consequence between getting one’s breakfast from wealth set apart for the “assistance of production” and that “set apart for subsistence” of producers. (P. 64.) Your crackers and cheese are capital so long as you “propose to exchange them for other commodities or for productive services.” (P. 64.) If you give a tramp a breakfast for splitting a pile of wood, the breakfast is capital because you “propose to exchange it for productive services;” but as he “proposes” to eat it for his “subsistence,” it is not capital.—Nor is capital lessened by his having eaten it. Here is another remitting of the distinction to the mind: for there is nothing that is either capital or not capital, but thinking makes it so.

Again: what a man inherits

— “from his father, and on which we say he lives, is not actually wealth at all, but only the power of commanding wealth as others produce it.” (P. 66.)

Thus, with one wave of Mr. George's magic wand, are all the inherited possessions of the Vanderbilts — poor devils! — transformed into the mere — er — the mere — power of commanding some few hundred millions, or so, of, not wealth in general, but wealth as others produce it. How it must grieve these once-wealthy men to see their fortunes thus shrunk up like a withered sapling! But possibly they do not see it, not looking with the gifted eye of a new politico-economical Daniel come to judgment. And not being in the straightened circumstances one might expect after the waving of the wand aforesaid; and neither knowing that they are robbed, nor wanting what is stolen, why, it follows as the night the day, that they are just as well off as if they had not been robbed at all. Besides they have the benefit of Mr. George's doctrine of equivalents, (p. 48,) which he himself seems to have forgotten.

“If capital is not required for the payment of wages or the support of labor during production, what, then, are its functions?” (P. 71.)

“A question to be asked.” And we shall see how Mr. George answers it. Mr. Mill answers:

"Capital is wealth devoted to production." But Mr. Mill is the dupe of a grave misapprehension, and is "entangled in a web of his own spinning." Let us turn to a later and a brighter light—a new "*Jovis arcanis Minos admissus*." Mr. George says: "Capital consists of wealth used for the procurement of more wealth," or of "wealth in the course of exchange." (P. 71.) Now, the advance that Mr. George has made from Mr. Mill may be measured by the difference in the meaning of the two words, "production" and "procurement." That Mr. George himself does not think the distinction vital, may be inferred from the fact of his "immediately abandoning it." Not three lines away, he says: "Capital does not support labor; it increases the power of labor to produce [why not "procure"] wealth." (P. 71.)

Capital does not support labor—"it enables labor to *apply* itself," etc.; it "enables labor to *avail* itself;" it *permits* the division of labor, etc. (P. 71.)

Capital does all these different things, he says, but, not tarrying to tell us how, he turns aside to say that "capital does not supply materials;" "the materials of wealth are supplied by Nature." (P. 71.) Without any outlay for chopping, sawing, digging, and transporting, Mr. George?

"Capital does not supply nor advance wages." (P. 71.) "Capital does not maintain laborers during the progress of their work;" — [unless they be paid before their work is done, remember.] (P. 62.) "Capital does not limit industry."

Mr. George must have unbounded faith in the force of negation, else "why this damnable iteration" of "nots"? What we want to know, after our long waiting and wandering in this wilderness of nots, is, what it is that capital does? And *how* does it do it? But just as we suppose light is going to be flashed on us, the sky darkens again, and we are drenched with another shower of *nots*.

"Capital does not limit industry;" (p. 75;) it only "limits the form and productiveness of industry." (Pp. 72, 73.) Would it be too curious to ask, What remains to be restricted after these? You see, we have to do with a genius of subtle discrimination, a fellow who has been at a great feast of distinctions and stolen all the scraps. He says that "the dictum of the current political economy, that 'capital limits industry,' means . . . that it limits the exertion of labor." The *exertion of labor*! Limits the exertion of bodily exertion! Does the dictum mean that?

By "industry" Mr. George means either effective "exertion of labor," or merely sustained physical effort. If the former, then, to lessen or restrict the efficiency of labor, is to limit industry directly; and Mr. George's negative proposition, that capital does not limit industry is not true — on his own admission, that it may limit the "productiveness" of industry. If capital be capable of "increasing the human factor of wealth," (p. 71,) it must also be capable of diminishing it, and so of limiting industry. If he mean, by industry, mere physical exertion, then his other proposition, that "the only limit to industry is access to natural material," is not true; for, give him standing room, and there is nothing but his own physical resources to hinder a man from exerting himself unlimitedly at trying to lift himself by his boot-straps.

Again, can it be true, that capital can have *anything* to do with cultivation and transportation, and *nothing* to do in supplying labor with material and maintenance? And we may ask Mr. George, with an eye to his logic, if it might not be strictly true, to say that "capital *limits* industry," while it would be obviously false to say that "there could be *no* industry without capital"?

And let us ask, also, while our hand is in, if he can refer to any writer who has ever said that there can be *no* industry without capital — or anything that by fair construction can be made to mean that? And also, if he himself thinks that to *limit*, and *wholly negate*, mean the same thing? — Or, if he thinks that any but the most hasty and unwary of his readers are to be caught by these petty, sophistical subterfuges? In one way, there is nothing more instructive nor humiliating than Mr. George's chapter on the "Real Functions of Capital."

When Mr. George says: (p. 74:)

"So long as there is sufficiency of capital in the community at large, the real limitation is not the want of capital, but the want of its proper distribution;"

he has, of course, mistaken his word. He means "wealth," according to his own, as well as other definitions. "Wealth, devoted to production, is capital," or, "wealth in the course of exchange is capital." Labor—according to Mr. George—has no crow to pick with capital. They are always on the best of terms with each other. The limitation of which Mr. George complains comes from the non-conversion of wealth into capital. It is the "proper distribution" of *wealth* that is to set the laborer right. All the remainder of the paragraph in which

this passage occurs, shows that Mr. George has "blundered," since he seems to know when wealth *is*, and when "it ceases to be capital."

"Wages are relatively the lowest where capital is most abundant." (P. 77.) For the very reason that abundance of capital implies redundancy of population—productive power—and the *competition* which cuts down wages. No matter how much capital an employer has, he will not pay five dollars a day for labor when hungry men are standing by, ready to work for "two dollars a day and roast beef." This is the very fact which Mr. George is continually thrusting before our eyes, and which he himself does not seem to see.

The exact measure of confidence to be placed in Mr. George's statements and methods, may be discerned in the latter part of his chapter on the "Real Functions of Capital." It reads thus:

"If each laborer in performing the labor really creates the fund from which his wages are drawn, then wages cannot be diminished by the increase of laborers, but, on the contrary, as the efficiency of labor manifestly increases with the number of laborers, the more laborers, other things being equal, the higher should wages be."

All that is required to expose the fallacy of the position and put an element of truth into the statement, is to interpolate after the word "drawn" this pregnant little *if*, with these words:

“And if the fund so created were all appropriated to the payment of wages, then,” etc. And that, we suppose, is precisely what Mr. George insists upon having done. But how could that be compatible with the existence of any capital whatever? Wages are not capital—nor even drawn from capital—says Mr. George. Give the laborer all the product, the earnings, of his labor, and there would be no capital—no “wealth in the course of exchange.” There would be nothing but wages; a thing wholly devoid of any element of capital—which does not “even trench on capital.” But, perhaps, Mr. George would say: “The laborer would be his own capitalist.” Then he would cease to be a laborer, *pro tanto*, and wholly so as soon as possible, on Mr. George’s bed-rock “principle of least exertion.” And thus the whole people would be converted into a community of capitalists; and, since there then would be no person to be employed in productive labor, capital would lapse into wealth; the capitalist himself then cease to be; wealth degenerate into a mere power of commanding what there is no longer any body to produce; and, by this declension, the whole industrial world sink into hopeless stagnation and collapse. True, it is a pity, and pity ’tis ’tis true!

CHAPTER IV.

THE MALTHUSIAN DRAGON, AND THE NEW ST. GEORGE.

IN the first chapter of his second "book," Mr. George tells us, (p. 81,) that the current doctrine as to the source and law of wages, finds its strongest support in the Malthusian theory, "that population tends to increase faster than subsistence." He thinks it hardly to be wondered at, that such a theory of wages should have arisen and maintained itself among "the masses of men who rarely take the trouble to separate the real from the apparent."

"But it is surprising that a theory which, on examination [now for the first time?] appears to be so groundless, could have been accepted by so many acute thinkers as have during the present century devoted their powers to the elucidation and development of the science of political economy."

Then he tells us, without the least reserve or qualification, that:

"The explanation of this otherwise unaccountable fact is to be found in the general acceptance of the Malthusian theory."

And this theory, of wages being drawn from capital, in the minds of political economists, has seemed *self-evident* because *backed* by the Malthusian theory. And yet, he does not think it easy to say (p. 82) which did the first *backing*; *i. e.*, which "is entitled to historical precedence." And so he ventures the statement that they both "naturally spring up and grow with each other." And on the same page he cites the authority of Buckle to the fact that the doctrine of Malthus was not published till eight years after the death of Adam Smith, who had long before fully set the wages theory on its legs, never to be tripped till Henry George entered the lists against it. Mr. George thinks that Malthusianism was present in a sort of rudimentary form in Mr. Smith's mind, and was responsible for the misdirection which his speculations took — on the wages question. Mr. Buckle thinks the wages theory was the foundation, and the Malthus doctrine the superstructure, which Smith wholly "missed."

Now, of course, their close relation or interdependence is quite apparent. Indeed, it is now hardly possible to hold apart the ideas of population, wages, and subsistence — the central ideas of the two doctrines — the relation of capital to wages, and of population to subsistence.

Mr. Malthus essayed a quantitative, or numerical, illustration of his theory. Mr. Mill and others expressly repudiate this as "wholly superfluous to the argument." Mr. George himself hardly thinks "it worth while to dwell on the fallacy," and nevertheless he seems to dissent from its repudiation, or, even to resent it as an impertinent interference with his plan of attack, and falls foul of the hapless illustration with might and main—repeatedly returning to the assault, (pp. 85-93,) as if it were the Redan or Malakoff of the line of defences, and he were bent upon taking by violence what had already been surrendered at discretion. Evidently he regards it as either the palladium of the obnoxious doctrine, or else its only vulnerable point, and is bound to make the most of it.

We quite agree with Mr. George that it is not worth while to dwell upon this fallacy, though we have something more to say about it further on. But it is worth while, from a psychological point of view, to read the paragraph on page 85 of Mr. George's book; and to make sure of the opportunity for the reader, we give it here.

"Although in reality not more repugnant to the sense of harmonious adaptation by creative beneficence and wisdom than the complacent no-theory which throws the responsibility for poverty and its concomitants upon the inscrutable

decrees of Providence, without attempting to trace them, this theory, in avowedly making vice and suffering the necessary results of a natural instinct with which are linked the purest and sweetest affections, comes rudely in collision with ideas deeply rooted in the human mind, and it was, as soon as formally promulgated, fought with a bitterness in which zeal was often more manifest than logic. But it has triumphantly withstood the ordeal, and in spite of the refutations [it certainly shows game, to stand triumphantly after being refuted !] of the Goodwins, the denunciations of the Cobbetts, and all the shafts that argument, sarcasm, ridicule, and sentiment could direct against it, to-day it stands in the world of thought as an accepted truth, which compels the recognition even of those who would fain disbelieve it."

And, what is more, still more in matter, and quite as significant, "the causes of its triumph, the sources of its strength are" *plain to be seen*.—Mr. George uses the words "not obscure." For our purpose we like the "plain to be seen" better. If one should say that, upon reflection, it is clear, that they mean the same thing, we reply yea, upon reflection! But it is tolerably evident that Mr. George does not calculate on an over-much of that article on the part of his readers. While they can be swept along by a torrent of foaming, dashing, splashing dogmatic assertions, he can keep them with him; but let them once, at any point, drift aside into a quiet eddy of reflection, the gush of eloquence would be left to go on its roaring, tumultuous way alone.

But if the causes of the almost universal acceptance of Malthusianism are so plain to be seen—"are not obscure"—how happened it that all the clear-sighted, great thinkers, before Mr. George, like Buckle, Mill and others, failed to discover, as Mr. George claims to have done, that there was nothing in those obvious causes to justify their endorsement of the cherished doctrine? Mr. George himself, seems to think that this rather remarkable fact calls for explanation, and we shall see how he tenders it.

We simply ask the reader to attend carefully for a single moment to the first, long sentence in the above quoted paragraph, and leave the choice of epithets by which to characterize it, to himself.

Waiving all comment upon the appeal to the *odium theologicum** of which Mr. George already seems to find it necessary to avail himself, we

* To people in general, who are moved by this kind of argument, and to Mr. George in particular, who deigns to use it, we commend the following passage from Mill's "Logic," p. 538.—"Writers have not yet ceased to oppose the theory of divine benevolence to the evidence of physical facts, to the principle of population for example. And people seem in general to think that they have used a very powerful argument, when they have said, that to suppose some proposition true, would be a reflection on the goodness or wisdom of Deity. Put into the simplest possible terms, their argument is, 'if it had depended on me, I would not have made the proposition true, therefore it is not true.'"

pass to the question : Does Mr. George dare to deny, that by far the largest part of the "vice and suffering" in the world, are "the results of a natural instinct with which," (in the rarest and noblest examples of humanity) "are linked the purest and sweetest affections." And also, if he dare to assert that the Malthusian theory "avowedly" makes any vice or suffering, the "necessary result of any natural instinct"? Or, if, on the contrary, it does not explicitly inculcate the lesson of the avoidance of these evils by moral and even physical regulations and restraints?

After giving many "causes" of the wide acceptance and stability of Malthusianism, Mr. George adds the following:

"But the great cause of the triumph of this theory is, that, instead of menacing any vested right or antagonizing any powerful interest, it is eminently soothing and reassuring to the classes who, wielding the power of wealth, largely dominate thought."

"It came to the rescue of the special privileges by which a few monopolize so much of the good things of this world."

It is not enough for Mr. George to hold up to general contempt the short-sightedness—the *comparative* short-sightedness of the great host of "great thinkers"—their *myopy* to the momentous truth that Mr. George is about to lay bare to the most vulgar visual capacity;

but he must also hale them forth as a band of flunkies, who have set up and sustained the doctrine of Malthus, in truckling subserviency to the privileged few who monopolize so much of the good things of this world. How else "came it to the rescue" of these menaced favorites of fortune, save as it was brought by the great, obsequious doctors in politico-economic science, as a soothing syrup to pampered opulence and a purse-proud aristocracy?

To still further magnify his task and the splendor of his prospective triumph, we quote another passage from the page just preceding his entrance upon that "straightforward analysis" which is to disclose the utter untenableness of the Malthusian doctrine. (If the reader is at a loss to know exactly what a "straightforward analysis" is, we would suggest that he may possibly find light in Mr. George's procedure under the promise of it.)

"The Malthusian doctrine has received in the intellectual world an almost universal indorsement, and in the best as in the most common literature of the day may be seen cropping out in every direction. It is endorsed by economists and statesmen, by historians and by natural investigators; by social science congresses and by trade unions; by churchmen and by materialists; by conservatives of the strictest sect and by the most radical of radicals. It is held and habitually reasoned from by many who never heard of Malthus and who have not the slightest idea of what his theory is." (P. 90.)

Hear him!

"Nevertheless, as the grounds of the current theory [of wages] have vanished when subjected to a candid examination, so, do I believe, will vanish the grounds of this, its twin. In proving that wages are not drawn from capital we have raised this Antæus from the earth."

To those who have seen *how* the grounds of the current theory of wages have vanished into the thin air of Mr. George's logic, the modesty of this vaunt will appear in the bright tint of its proper maiden blush.

Now if the reader does not understand that it is Mr. George's purpose to beard this monster error in his stronghold, with that swelling of the heart which warriors feel in foemen worthy of their steel, it is clearly not Mr. George's fault. The odds are simply stupendous. And there is nothing to forbid the inference, that no body but a downright madman, or a brave of extraordinary valor, mental caliber and equipment, could have the temerity, single-handed and alone, to assault a foe so mighty in arms and so flushed with repeated victories. But it is to be remembered that Mr. George is a man who "has the courage of his opinions"; that he was not brought up in the woods to be scared at owls, however wise they look. So, nothing daunted by the formidable array of fearful adversaries, but, the rather

elated by his previous triumph in raising "Antæus from the earth"; with his soul in arms and eager for the fray, he will buckle on his armor, "hold hard the breath and stretch the nostril wide"; roll up his sleeves; bend up each corporal agent to this terrible feat, and shouting St. George and victory! dash in, and with that same Herculean might that flung the heels of Antæus in the air, lay the Malthusian dragon low.

At the close of his first chapter on Malthusianism, (p. 90,) Mr. George says:

"Thus commended and seemingly proved, thus linked and buttressed, the Malthusian theory—the doctrine that poverty is due to the pressure of the population against subsistence; or, to put it in its other form, the doctrine that the tendency to increase in the number of laborers must always tend to reduce wages to the minimum on which laborers can reproduce—is now generally accepted as an unquestionable truth, in the light of which social phenomena are to be explained."

That these two propositions which Mr. George treats as equivalents, differ in something other than in "form," is evident from the fact that one may be true and the other false. It may not be true that poverty in every particular instance, or even generally, is due to "pressure upon subsistence"; but that, as a general proposition, "the tendency to increase in the number of laborers must always *tend* to

reduce wages," is true, is as incontrovertible, if not as obvious, as the proposition that the quotient of ten divided by five is less than the quotient of ten divided by two. This proposition must stand as an unassailable axiom, notwithstanding the truth of this other proposition, that, if the dividend be increased proportionally with the divisor, the quotient remains unchanged. That an increase of laborers does not lower wages where there is a corresponding increase of demand for labor, does not militate against the doctrine laid down in the above-quoted maxim.

To Mr. George this doctrine is a twin goblin to "the current theory of wages," and *as* he has laid the latter, he expects to quell the former. Even so. For, in spite of his self-complacency and bravado, (p. 91,) setting aside his manifold dogmatic assertions and undemonstrable negations, he has done absolutely nothing towards disturbing "the current theory of wages." Nor, while it is level to common apprehension, that the law of limitation applies to the whole earth as well as to a single acre, with regard to productive capacity, will it seem absurd to say that poverty may be the result of "pressure upon subsistence"—the more especially as stakes and stones are not the sole

conditions of limitation. And the obviousness of this truth is doubtless the reason why it "is now" and always will be "generally accepted as unquestionable"; and none the less so for anything Mr. George has written in his book.

So thoroughly is this doctrine of wages rooted in the minds of men, that even Mr. George cannot wholly divest himself of it, nor speak consistently with his own constrained utterances against it. See, for example, page 111, where he speaks of wages as capital even where they are not paid at all, but simply "retained" by the laborer.

As to the soundness of the proposition, viz. : "That the increase of population, by multiplying laborers, tends to reduce wages," and so abridge the resources of the working man, it seems there can be no doubt; but that the poverty in general, of this, or any other age, in which the hovel has stood beside the palace, may be justly attributed to over-population, relatively to the whole country, and consequent pressure upon subsistence, alone or even as the main factor, we think with Mr. George, if that be what he means, has never been proved. And we are in hearty sympathy with every word he utters in condemnation of the doctrine, whoever asserts it, that it is the

"niggardliness of Nature," and not the brutal selfishness, injustice and rapacity of man that is responsible for the sufferings, miseries and degradations of the poor. We do not believe there has ever yet been a time in the world when there was not bread enough in it to fill the mouths of every one of God's children, were it accessible to them.

Nor do we hesitate to say that every pang that comes to a human soul for having less than he needs, is a reproach to every other who has more than he needs. To *have* more than he needs while another has less, is a crime against humanity, whether he got it by the superior might of his right arm or the superior cunning of his brain. Might is no more right with brain than with muscle. The strength of the strong is for the help of the weak—not to outwit, oppress, enslave and rob them. Till this divine truth, without which no principle of Political Economy is worth the breath it takes to utter it, be recognized among men, and made their rule of action, and the principle of government in the State, not only will vice banish peace from the world, but the wretchedness of poverty and the luxuries of wealth will confront each other, and bread-riots and French Revolutions be ever present possibilities—and period-

ical necessities. There is, without doubt, much suffering that is simple justice; but until starvation be the righteous penalty for crime, every human being that goes hungry is wronged, and society is accessory to the wrong, and, in some way, will have to pay the penalty of the wrong as surely as the relation between cause and effect obtains. No man on the face of God's green earth has a right to keep hounds while his neighbor kills his own children to keep them from starving for the want of the crust that goes to feed the hounds. Upon this theme we will fight on Mr. George's side till our "eyelids will no longer wag."

But, what Mr. George states the question "manifestly" to be, (p. 125,) is not the question at all. Let us see:

"Manifestly the question whether increase of population necessarily tends to reduce wages and cause want, is simply the question whether it tends to reduce the amount of wealth that can be produced by a given amount of labor."

Even giving to the word "necessarily" so broad a construction as to include any conceivable order of things as human nature is now constituted, we say this is *not* the question.

It is not the same thing to say, that *increase of population tends to reduce wages*, that it is to say, that *increase of population*, (for that is the

antecedent to Mr. George's "it" in the fourth line of the above passage,) that *increase of population tends to reduce the amount of wealth that can be produced by a given amount of labor.*

An influx of laborers that may reduce wages (by competition) 100 per cent. need not reduce the productive capacity of the previous laborers at all.

It may be conceded, that the more hands the more wealth, absolutely or proportionally, and yet truly affirmed that the more hands the lower wages, as a rule. *This is the law*, and always must be, so long as there is a question of wages at all—that is, so long as the relation of "employer and laborer" obtains. Repeal that relation—make it possible for the laborer to retain all the produce of his labor, whether it be more or less, lower or higher, it is not "wages" that he gets, and the question of raising or lowering wages is not in place. Such a state of society "where every man digs his own roots," may be possible, and it may be desirable, with a view to securing to every man the results of his own labor; but until it does exist; until that blissful state shall be restored—if it ever did exist—the law, as stated in the "current doctrine," and denied by Mr. George, must prevail. And it all depends on so simple a

proposition as, that "increase of population," (in its politico-economic sense of increase of laborers,)—increase of population is increase of competition for employment; the *tendency* of which *always* is to lower wages.

If this be not the fact, why is it that there is so much clamor among workingmen against the increase of the laboring population in their respective crafts, either by additions at home or importations from abroad?

Mr. George either does not understand, or fairly treat, the paragraph quoted from Mr. Mill. (Pp. 125, 126.) Mr. Mill may have made the mistake of generalizing from crowded states and cities; Mr. George, of generalizing from his California experience. As the antagonism of Mr. George with the old system is nowhere more pronounced than here, nor the groundlessness of it more susceptible of demonstration, we give the paragraph from Mr. Mill entire, and let Mr. George state the issue:

[1] "A greater number of people cannot, in any given state of civilization, be collectively so well provided for as a smaller. [2] The niggardliness of nature, not the injustice of society, is the cause of the penalty attached to overpopulation. [3] An unjust distribution of wealth does not aggravate the evil, but, at most, causes it to be somewhat earlier felt. It is vain to say, that all mouths which the increase of mankind calls into existence bring with them hands. The new mouths require as much food as the old ones, and the hands do not produce as much. If all in-

struments of production were held in joint property by the whole people, and the produce divided with perfect equality among them, and if in a society thus constituted, industry were as energetic and the produce as ample as at the present time, there would be enough to make all the existing population extremely comfortable; but when the population had doubled itself, as, with existing habits of the people, under such an encouragement, it undoubtedly would in little more than twenty years, what would then be their condition? Unless the arts of production be in the same time improved in an almost unexampled degree, the inferior soils which must be resorted to, and the more laborious and scantily remunerative cultivation which must be employed in the superior soils, to procure food for so much larger a population, would, by an insuperable necessity, render every individual in the community poorer than before. If the population continued to increase at the same rate, a time would soon arrive when no one would have more than the mere necessities, and, soon after, a time when no one would have a sufficiency of these, and the further increase of population would be arrested by death." (*"Principles of Political Economy,"* vol. I, pp, 245, 246.)

Mr. George traverses all this. He says:

"I assert that the very reverse of these propositions is true."

Taking it without qualification, Mr. George would be clearly right in denying Mr. Mill's first proposition. Taking it with the explanation, he is clearly wrong. Up to a certain point, increase of population is increase of provision for all, as is happily illustrated by Mr. George's example of the growth of a village from the small beginning of a single immigrant on the prairie, (p. 212,) the hint of which he gets from Mr. Mill himself.

Beyond that certain point Mr. Mill's rule holds good, and, as a principle, is incontrovertible. It is just as true that there may be too many mouths for the broth, as that too many cooks spoil it. If the current doctrine err in placing that point too near, Mr. George errs still more in not placing it at all. It is simply a question of the capacity of Nature to respond to the demands of man.

Nothing can be more strictly true, abstractly, than Mr. Mill's second proposition. But the "niggardliness of Nature" will not be felt till more is asked than she can grant. And that day is so far off, blinking the social limitations, that it makes *practically* the view of Mr. George the nearer correct as a rule of action. The niggardliness of Nature will not punish "over-population" till over-population occur, which we are inclined to think, with Mr. George, has never yet been the case, taking in the whole field, nor is so soon likely to be, as to make Nature—unless inhuman Nature—responsible for the "want and misery" of the poor of any age. Not the niggardliness of Nature, as a whole, but the rapacity, thriftlessness and shiftlessness of man are to be reproached with the poverty, vice, crime, squalor and suffering of "over-populated" communities.

That Mr. Mill intended the necessary qualification of his proposition, so as to wholly break the force of Mr. George's objection, may be seen from the following passages taken from the same section as the above quotation, and apparently not taken into account by Mr. George :

"After a degree of density has been obtained, sufficient to allow the principal benefits of combination of labor, all further increase tends in itself to mischief, so far as regards the average condition of the people; but the progress of improvement has a counteracting operation, and allows of increased numbers without any deterioration, and even consistently with a higher degree of comfort."

"But if the growth of human power over nature is suspended or slackened, and population does not slacken its increase; if, with only the existing command over natural agencies, those agencies are called upon for an increased produce, this greater produce will not be afforded to the increased population, without either demanding on the average a greater effort from each, or on the average reducing each to a smaller return out of the aggregate produce."—(Mill's "*Political Economy*," vol. I, pp. 246, 247.)

All of which Mr. George, with a singular obtuseness to its bearing upon his own argument, expressly recognizes as true—see page 129 of his book, and the same passage which we quote on the following page.

When once understood, it is plain that there can be no controversy with Mr. Mill on his second proposition, unless about the question as to what constitutes "over-population."

Granting that it is not clear upon what ground Mr. Mill affirms that "an unjust distribution of wealth does not aggravate the evil," (of overpopulation,) there is nothing else left of which Mr. George can complain; and at the end it is obvious that he has hurled himself against that impregnable stronghold in vain. There are no facts to which Mr. George appeals for which Mr. Mill has not entirely provided, as any one who will carefully read the whole chapter, in Mill's work, may readily perceive.

When, in putting his California example, Mr. George says (p. 129): "At the same time wages and interest have steadily gone down," he neglects to add, as he might have done, and, *pari passu*, population has steadily gone up; which, according to the "current theory," might alone account for all the other concomitants.

On page 130, Mr. George asks:

"Is it true that wages are lower because labor yields less wealth?"

Mr. George asks, let him also answer. We have to turn back only one leaf to find these words:

"This virgin profusion of nature has been steadily giving way before the greater demands which an increasing population has made upon it. Poorer and poorer diggings have been worked, until now no diggings worth speaking of can be found, and gold-mining requires much capital, large skill, and elaborate machinery, and involves great risks."

If Mr. George will but recall to mind, that increased improvements in machinery is equivalent, in respect to production, to increase of population, (laborers, in its politico-economic sense, a fact which Mr. George implicitly recognizes on p. 220,) he can hardly fail to discover, that nothing furnishes a better illustration of the current doctrine, that increase of population tends to lower wages, than the arguments he uses against it on pages 129-130.

Irrespective of the amount of wealth produced, what can conduce more effectually to its unequal distribution than the competition inevitable to a numerous population, and labor-saving inventions, which cut down the laborer's wages? (P. 131.) What, in California, at the beginning was to be had for the small pains of stooping and picking it up, can now be got only at the expense of "much capital, large skill, and elaborate machinery and great risks." (P. 129.) A part of that which was once paid for stooping and picking up, since stooping and picking up no longer "pays," is devoted to the purchase of "machinery," "skill," and compensation for risks. And though it requires labor to produce the machinery which displaces laborers in California, the machinery is produced by labor where wages for it are determined by popula-

tion. Consider the increase of population in California—the men displaced by machinery because they cannot do the work of the machine—and does not the current doctrine explain why it is, that “men are now glad to work for a week for less than what they once demanded for a day”?

Mr. George may be quite right in his “conviction,” that the “wealth-producing power is greater in California in 1879 than it was in 1849,” and even, that Nature yields more, absolutely; but he will not pretend for a moment, that it yields more relatively, (especially after conceding the falling off in its “virgin profusion,” p. 129;) that a man, with his pick and pan and perfect freedom, can go anywhere in 1879 and dig as much gold a day as he could in 1849. And yet, this is the thing essential to the validity of his argument. And when he says, (pp. 130–131,) that, in California, “wealth has increased with greater rapidity than population,” (workingmen,) he seems to forget that every machine introduced into California, that does the work of one hundred men, stands for precisely so much working population: And something more—the working population bring their eating mouths; the machinery brings none.

Mr. George's main error consists in supposing, that it was necessary to overthrow a general principle because it did not seem to apply to a particular instance—to deny the existence of *a* cause because other causes produced similar effects. The doctrine of Malthus teaches, that certain social conditions inevitably tend to produce poverty—not that they are the cause of all poverty, nor of all the vices and crimes that knot and gender in it. To show that a man has been reduced from affluence, or a competency, to poverty by the villainous chicanery or treachery of lawyers, or by the more manly craft of highway robbery, is no disproof of the doctrine of Malthus, that over-population crowds upon subsistence, lowers wages and produces poverty. We think with Mr. George, that *the* poverty, and the distress and crime that come of it—that “the industrial paralysis, the commercial depression which curse the civilized world to-day, evidently come from no lack of productive power. Whatever the trouble be, it is clearly not in the want of ability to produce wealth.” (P. 134.) When I see a delicate mother and her little children suffering for the want of proper food and clothing, and other pinchings of poverty, while the villain who robbed them is traveling on his spoils, for pleasure,

among the Alps and Apennines, I impute their distress to neither lack of wealth, nor over-population ;— nor yet do I doubt the soundness of the Malthusian doctrine. And when Mr. George arraigns Malthusianism for inconsistency in not accounting for all the poverty of “ to-day,” he is simply tilting at a man of straw of his own setting up.

The poverty of to-day comes not from a lack of power to create wealth in the aggregate, whatever it may be in the individual. The trouble is in the want of individual ability to control wealth—the product of labor. Show the cause of that, and that, in the possible nature of things, it is curable, and the problem of “poverty in the midst of abundance” is solved.

So long as the fish a man catches, the roots he digs, or the berries he picks, suffice him—so long he controls the whole product of his labor. But when he needs a hook for his fish, a pick for his roots, or a basket for his berries, which involves the aid of another, *for a consideration*, then he no longer controls the whole product of his labor, for a part of it is commanded by another.* When another begins to control a part, just then and there is initiated that condi-

* “Wages—The price of the labourer’s share of the commodity produced.” (Mill’s “Elements,” etc., p. 41.)

tion of things which makes it only a question of time when another will control all the product of labor except the minimum requisite to efficient labor. If the "law of least exertion," so strenuously insisted on by Mr. George, the law of laziness—the law of selfishness—be a valid one (though Mr. George himself repudiates it further on in his book, pp. 121, 412, 414, 415, 416, 419, 420,) then there is not, never has been, and never will be, any escape from inequality in the distribution of wealth and its baleful consequences, so graphically depicted and eloquently deprecated by Mr. George. The remedy is, the regeneration of man—the reconstruction of human nature on a basis exclusive of the "law of least exertion." If abolition of private ownership in land be adequate to that feat, we will "All hail!" it, though the heavens fall.

After reading Mr. George's arguments, the dog-and-puppy one included, (pp. 93, 94.) against Malthusianism, and his exultation over the demolition of that doctrine, the reader can put himself in the mood for properly appreciating the splendor of Mr. George's achievement, by reading the following passage from Mill's "Political Economy," vol. I, p. 439:

"Some, for instance, have achieved an easy victory over a passing remark of Mr. Malthus, hazarded chiefly by way of illustration, that the increase of food may perhaps be assumed to take place in an arithmetical ratio, while population increases in a geometrical; when every candid reader knows that Malthus laid no stress on this unlucky attempt to give numerical precision to things which do not admit of it, and every person capable of reasoning must see that it is wholly superfluous to his argument."

Had Mr. George duly considered this passage, together with Mr. Mill's explanation of the expression "the tendency of population to *increase faster* than the means of subsistence," on the same page, though it might not have spared us his puppy joke, it certainly would have moderated the rapture of his triumph.*

We do not suppose that there is one person in a hundred of those who have read Mr. George's book but would rise from it with the impression that Mr. Mill is responsible for the statement, that the poverty, want, and consequent miseries that are in the world, are not due to man's inhumanity to man, but to the niggardliness of Nature. And such readers will doubtless be surprised to learn, that Mr. Mill has

* In a note, on page 84, Mr. George questions the correctness of Mr. Mill's statement, that Malthus laid no stress on his numerical illustration. It is easy to understand Mr. George's reluctance to be bereft of the only vulnerable object he has at which to hurl his lance; but, as between him and Mr. Mill, on a question of this sort, we—"will take the ghost's word for a thousand pounds."

never uttered a word or syllable that can be tortured into such a meaning, or that can be pleaded in justification of the turn Mr. George has given to what he does say. Mr. Mill's sole deliverance upon this point, as quoted by Mr. George, is in the form of a proposition so conspicuously self-evident that the formal logician would be tempted to class it with what are characterized as "identical propositions." Here are his words:

"The niggardliness of nature, not the injustice of society, is the cause of the penalty attached to over-population."

It is simply equivalent to saying, that "whenever the population of a state or country exceeds the capacity of the soil to sustain it, its incapacity to sustain it is the cause of the penalty attached to such excess—the over-population; that penalty being an empty stomach and its consequences. Mr. Mill could not have spoken a more incontrovertible truth had he said: Whenever more guests crowd to the table than have been provided for, some must go away hungry; and that the cause of their going away hungry is the lack of provisions—or, that there are more mouths for the meat than meat for the mouths.

And when Mr. George says: "I assert that the very reverse of this proposition is true," you can not help but draw conclusions not very flattering to Mr. George's logic. The reverse of that proposition would be: The larger the crowd of guests that can not be provided for, the better will they all be provided for.

That over-population will have to take the consequences of over-population (accept the penalty attached to it) is all the proposition asserts, and it is that which Mr. George denies.—What constitutes over-population; when the limit of Nature's capacity is reached; is quite another question. Mr. Mill may err in his calculations on this point; he may not be able to tell how many bushels of potatoes a given patch of ground will yield to the acre, but if Mr. Mill should utter the proposition, that, if pigs were squealing for more potatoes than the ground could produce, some swine would have to go hungry; we assume that nobody but Mr. Henry George would venture to "assert the contrary of that proposition to be true."

Let us put Mr. Mill's proposition in another form :

A = niggardliness of Nature.

B = penalty (= starvation).

C = over-population.

Mr. Mill says : A is the cause of the B that attaches to C.

Mr. George says : There is no C.

Granted — that disproves nothing ; *denies* nothing said by Mr. Mill.

Mr. Mill says : Arsenic is a poison, and the cause of the death of Hans Snyder.

Mr. George says : Hans Snyder is not dead — or, if he is dead, he was killed by lightning, and, therefore, arsenic is not a poison.

But that does not prove that arsenic is not poisonous ; and if he shows that Hans Snyder was not killed at all, it only invalidates Mr. Mill's example ; it does not touch his proposition.

Suppose Mr. Mill had referred to Ireland and all the other countries Mr. George mentions as refuting the doctrine of "population pressing upon subsistence," as examples supporting the affirmative view ; and Mr. George goes down into those countries to fetch proof that there never was any over-population there ; and comes back groaning under the weight of it ; what does it all amount to ? It merely takes away the given examples. It comes not near the theory. Now these negative *facts*, granting them to be such, are all that Mr. George offers us in fulfilment of his promise to volatilize and

spirit away, in the alembic of a "straightforward analysis," the "linked and buttressed" doctrine of Malthus.

It is apparent now what Mr. George's idea of a straightforward analysis is. It consists of "heaps on heaps" of asseverations offered to the reader as *facts*. The proper reply is a simple demurrer. For, admitting them to be the facts as stated, it is plain to be seen that they are utterly worthless for Mr. George's purpose, for the simple reason that in every case cited he wholly ignores the part that both the "prudential" and "positive checks" of the Malthusian theory played in the given cases.

Taking leave of the analysis, let us try our hand at a little synthesis, and start a community on Mr. George's theory of the primitive man, with the least-complex conditions, and on his fundamental principles.

1st. The principle of least exertion, *i. e.*, the law that man will seek the gratification of his wants with the least possible expenditure of muscular effort; or, to make the matter level to the dullest apprehension—man does not like to work and will not work any more than he is obliged to. This is the social law of gravitation. In a word, man is normally lazy—"constitutionally tired."

2d. The principle of equality—the right of all to an equal start in the world.

3d. The right of every man to the legitimate reward of his diligence and industry—or his right to own the product of his own labor.

4th. “Land and liberty”—or the right of every man to do what he pleases with his own, even his own body, being the sole proprietor of himself.

This is the man. The chief condition of his environment is, a universe of fixed quantities. There is just so much and no more of everything. Man can not “create an atom,” nor “lessen the powers of Nature.” Among all the habitable globes there is but just one world for him—but *one!* There is just so much land, air and water. Thus there are “limitations” put to his field of operations. And there are others besides. And, mark especially, that it does not matter whether the limitations be fixed by the rock-bound coast of a continent, the circumference of the globe, an impassable gulf, or river, or sea, a Chinese wall, a hedge fence or an equally-impassable barrier of *social conditions*.

There are subjective as well as objective limitations. As the physical limitations are fixed by the laws of physical nature, so the social limitations are fixed by the laws of human nature

—the bottom-rock of which is, as we have seen, "the law of least exertion."

By social conditions we are to understand such as spring up as a consequence of two or more human beings abiding within the pale of reciprocal influences.

Now, in the light of these preliminaries, we are to set up a community on Mr. George's foundation, with his materials and according to his "laws" or principles.

Two men, Peter and Andrew, with their wives, one each, are cast upon a desolate island "where no human being ever trod;" no matter how cast, whether from a ship, a raft, or a passing comet. They are (for we are to take the simplest, least complex conditions) simple, naked, honest, troglodytes — cave-dwellers. Resting over night from the fatigues of their journey, voyage, or whatever it is, leaving their wives to look after the household affairs of their respective domiciles, Peter and Andrew sally forth in quest of a breakfast. They start on perfectly equal terms, though under constitutional differences that at once begin to tell on results, for Andrew, having more conjugal affection than Peter, or being more happily mated, lingers behind to kiss his bride goodbye. This gives Peter the lead, who is thus the first to find an

"oyster rock" and stake out his claim. This little march stolen on Andrew is the *reward* of his "superior diligence" or conjugal self-denial, or indifference. Andrew, coming to the water later has to take second choice and hunt another rock. He soon "locates," however, gets a day's supply and returns with his "wages," the product of his labor, to his family, where they fare sumptuously. But Peter, bent on business, puts in the day and staggers home at night under a load for a week. Of these, Peter and his spouse partake sparingly, but enough, with an eye to hygiene rather than to luxury. And while Peter is fishing the next day, his wife instead of going out shopping, is busy at home salting down the surplus of the previous day's take. While Andrew's wife, having no surplus to salt down, but an artistic turn of mind, puts in the time making mother-of-pearl ornaments for her fingers and toes, and perhaps her nose. And thus go they on from day to day, one gathering and eating, the other gathering and saving, till Peter has accumulated a large stock of oysters and Andrew's wife a fine assortment of pearls. Then a rainy day sets in, and Andrew, not wanting to work in the wet, goes to neighbor Peter for a temporary supply from

the latter's stored-up stock. Peter having observed Andrew's ways and devoutly believing that thrift is blessing, so men steal it not, gives Andrew to understand, with truly diplomatic courtesy, that he does not care to lend, but is quite willing to sell. Andrew inwardly acknowledges the "corner," and would gladly buy, but has nothing with which to pay except his wife's pearls or his own "claim." As can be foreseen, Peter has no use for the jewelry himself, and has shown no disposition to indulge his better-half in such luxuries. After some higgling and whittling of shingles, it is agreed that Andrew shall have a month's supply from Peter's stock in exchange for the fee simple to Andrew's oyster rock. The contract is duly executed on linen paper, water-marked, and signed with a No. 5 Yale Triumph Pen. At the end of the month, Andrew is out of oysters, out of pocket and minus his "claim," on a square deal. He has now no choice but to stake out a new claim or to go to work for Peter. There are plenty of good rocks farther up the coast "on the next quarter section," but Andrew's wife don't want to go where she can make no display of her ornaments, and she *won't* move before the first of May anyway. So

Andrew goes to work for Peter, knocking off oysters on shares or for a cash salary of \$10 a week — oysters being legal tender.

Andrew simply does what he pleases with his own in selling his labor as he did his rock to Peter. True, he *might* have put by oysters as well as Peter, but for the law of least exertion, or lack of foresight. That law and the social impediment conditioned upon his wife's feminine vanity, or æsthetic genius, put such a limit to his field of operations, that, for him, the oyster rocks, up the coast, might as well have been up in the moon.

So Andrew keeps on with his work for Peter, taking his pay *from*, not any longer *in*, the product of his labor — since, now, a large share goes to Peter for the privilege of working Peter's now-consolidated claim under the contract. It *was* one-half Andrew's, but he had a right to sell it, and did sell it. He owns himself and has a right to sell himself, either by the day in labor, or outright, bodily, for life, according to Mr. George. (Pp. 299, 300.)

After a few, more or less, angels' visits to these two families, in the shape of little Johnnies and Pollys, Dickies and Tommies, all with mouths adapted to oysters, the demand begins to crowd the supply — an instance of

population pressing against subsistence; and pressing more and more, till the discomfort of short allowance, or, the inconvenience of starvation, stares them in the face. They are all subsisting off of Peter's plantation, and are all working for him, under the law of competition and over-population, pretty much on his own terms. Peter and his descendants are faring better than Andrew and his descendants. The *equality* is gone, and in a perfectly legitimate way, through the law of least exertion, the rewards of merit and the rights of property. Legitimate or not, the party of the second part are in a bad box. The problem now is, to get out of it. It will be of no use to order a strike. It is too late for the "prudential check." The positive check may come in the form of a fight for a dispossession of the Peter proprietors and a new divide; or in the shape of a famine or plague, from a scant and purely fish diet—or by *breaking down the social barriers* and departing thence into a new country, farther up the coast. This is, unquestionably, the better way; the one which wisdom would have pointed to from the first, but the very one, for obvious reasons rooted in the social nature of man, always last resorted to. And this tune, with an infinite complexity of

variations, may be played over and over to the end of time, or till every square foot of the habitable globe is brought under the dominion of squatter sovereignty. Thus we see how it comes, even under Mr. George, that by industry and thrift and "liberty," and the just rewards of diligence, that the palace of the prince stands beside the hovel of the beggar—if the prince chooses to let the beggar come so near. And all, too, by a law which is to the social world what gravitation is to the physical world. It all may be very "repugnant to that sense of harmonious adaptation" to which Mr. George so touchingly appeals, (p. 85,) but we imagine it is no more complacently impious to put the responsibility upon the inscrutable decrees of Providence than to put it on the law of gravitation.

CHAPTER V.

WAGES, INTEREST AND PROFITS.

ON page 141 Mr. George says :

" After formally decomposing profits into wages of superintendence, compensation for risk and interest—the net return for the use of capital—they proceed to treat of the distribution of wealth between the rent of land, the wages of labor and the PROFITS of capital."

Mr. George thinks this a great " confusion of terms," resulting only in the " utter bewilderment of the reader." It seems to us that Mr. George here makes the whole muddle for himself, and that it would quickly vanish if he would take as much pains to understand the passage as he does to disparage it. At any rate, the common reader has only to appeal from Mr. George to the authorities he cites, to be quite delivered of all the goblins Mr. George has raised for him. Even if it be a mistake to call the compensation of superintendence " wages," still, with the distinction between it and the " wages of labor"

explicitly stated, there is no confusion in dividing "wealth between the rent of land, the wages of labor and the profits of capital," and then subdividing the *profits* of capital into "wages of superintendence, compensation for risk and interest." Mr. George says: (p. 141:)

"Buckle persistently speaks of the distribution of wealth in rents, wages, interest and profits."

On pages 38, 39, of his book, and in the chapter referred to by Mr. George, Buckle says:

"The reward of the workman is called wages; the reward of the contriver is called profits."

These were distinctions made in the first advance from the primitive state. After the "saving class" arises, and they "lend their accumulations," "the reward they receive for their loans" is termed the interest of their money; so that there is a threefold division, — Interest, Profits and Wages. "After land values arise, there is a fourfold division" of the wealth of a country "into wages, rent, profits and interest." (P. 53.) On page 54 he speaks of wages as that which is "left to the laborers after rent, profits and interest have been paid." And on page 55 he again speaks of wealth as being "divided into rent, interest, profits and wages."

These are the only instances in the chapter referred to by Mr. George, in which Buckle speaks of wealth being distributed into "rent, interest, profits and wages," and in no instance with the words collated in the order (if that signify anything) in which Mr. George arranges them. The reader can see for himself how "persistently" Mr. Buckle speaks; and if Mr. George discovers "jumblement" and "confusion," it only shows how superior his discernment is to that of "a man" (says Mr. George) "who certainly got a wondrously clear idea of what he read, and who had carefully read the principal economists from Smith down."

However, even Mr. George's superior discernment is not infallible — unless he sometimes purposely mistakes. On page 144, speaking of the laws of distribution as laid down in the standard works," he says, "if we fish them out and bring them together, we find them to be as follows :"

"Wages are determined by the ratio between the amount of capital devoted to the payment of subsistence of labor and the number of laborers seeking employment."

This is an error. See Mill's "Political Economy," (vol. I, pp. 421, 422,) where he makes the proper qualification of the maxim that "wages

depend on population and capital." (See also Buckle, vol. I, p. 53 and note 67.)

Mr. George seems bent upon having his own way with the definitions, for it is only by forcing his new wine into the old bottles, (as, for example, making the term "wages" "include" all returns for human exertion, page 145,) that he can succeed in making out his case against the standard authorities. Mr. George says: (p. 146:) "All that the laborer produces should rather be held as his natural wages."

If he digs roots with his finger-nails, Yes. But if he digs roots with a hoe, No. For some part of what he produces goes to the maker of the hoe. And so on through the whole catalogue of implements he uses on which another has bestowed labor, directly or indirectly. And the "injustice" of unequal distribution, "always has existed ever since the accumulation once fairly [or unfairly] began." (Buckle's "Civilization," vol. I, p. 22.)

If Mr. George would only bear in mind that the political economists of whom he here and elsewhere (p. 140) so constantly complains, mean by "wages" the return to *hird* labor; by "profits" the return to capital—distributed into three parts, viz.: insurance (compensation for

risk, wages of superintendence, *and*) interest,—a subdivision perfectly consistent with the rest of their theory; and by “rent” the return to land; he would perceive that no “violence is done to the meaning of the word,” and that there is no inconsistency in “decomposing profits [p. 141; subdividing profits] into wages of superintendence, compensation for risk, and interest;” and then proceeding “to treat of the distribution of wealth between the rent of land, the wages of labor and the *profits* of capital.” And he would then perceive also, that the “puzzle,” “confusion of terms,” and “inextricable jumble,” not to say stupidity, exist—not in the brains of the cultivators of Political Economy, certainly not in the mind of John Stuart Mill; as any one of ordinary intelligence may see, if he will “take up” and “compare” the chapters referred to by Mr. George, (p. 142,) as the present writer has done—as he (Mr. George) probably expected few or none of his readers to do. And we venture to say that, abating his well-timed, well-said, indignant protest against the atrocious injustice of the present social adjustments, and his eloquent and urgent appeal for some kind of remedy; either one of the chapters he thus commends to his readers, is worth more than all of Mr. George’s book.

It looks a little as though Mr. George were ambitious to put the *appearance* of absurdity upon the methods of other writers, even when it seems as though it must be clear to his own mind that there is none in fact. He says : (p. 141 :)

"After formally decomposing profits into wages of superintendence, compensation for risk, and interest . . . they proceed to treat of the distribution of wealth between the rent of land, the wages of labor and the profits of capital."

This word "after" is so important to Mr. George's purpose that he gives it to us again a few lines away, in the same connection. Now, suppose we give the other writers the benefit of their own way of putting it and say, that, having formally distributed wealth, (the proceeds of labor, land and capital,) between the rent of land, the wages of labor and the profits of capital, they proceed to decompose profits into wages of superintendence, compensation for risk and interest. Is there anything absurd in such a division and subdivision? Is that an "inextricable jumble" to any one but Mr. George? Is that like dividing mankind into men, women and human beings? When Mr. George will refer us to some writer on Political Economy who uses the word "profits" as synonymous with or as comprising "wealth," (as the

phrase "human beings" comprises "men and women,") we shall see the point of his witticism. But, even the above transposition is not necessary to parry Mr. George's gratuitous thrust at the "best thinkers." They certainly had a right to define the word "profits" before as well as *after* using it as a term denoting an element in the distribution of wealth.

But, how is it with Mr. George himself? He says: "Capital is all wealth used to produce more wealth"; and that "the return for the use of capital is called 'interest'"; (p. 145;) and that the term interest "includes all returns for the use of capital." (P. 155.) Thus interest stands for *all* the returns to capital. Now, what are *all* the returns? Of what do they consist? Mill says:

"Produce equals: rent, plus wages of labor, plus profits—which includes wages of superintendence, compensation for risk and interest."

Mr. George says: (p. 153;) Produce equals rent, plus wages, plus interest, "which includes" what? Why, "*all* the returns for the use of capital," which are, what? Why, "those that pass from borrower to lender;" (p. 155;) natural increase of values, as of wine, bees, cattle and seeds; (p. 162;) wages of "human exertion," but not "compensation for risks"—which is explic-

itly excluded — and yet including enough to show that Mr. George can “decompose” and “subdivide” quite as much, if not as well, as other people. Then why not this equation : Produce = rent, plus wages, plus profits (profits = insurance plus superintendence, plus interest?) Is there anything so strikingly different in these equations as to require, for its sake, complete revision and reconstruction of the science of Political Economy?

It is tolerably apparent that all Mr. George's trouble grows out of the refractoriness of the old bottles to have his new wine forced into them. With the “current theory” the word “wages” means the reward of hired labor ; with Mr. George — “reward of human exertion.” (P. 145.) Though they (the old writers) correctly define wealth, and though “the law of rent is clearly stated,” all “the rest is a confused and incoherent jumble,” (p. 143.) because the old writers did not anticipate Mr. George's fog-dispelling definition. To withhold from capital, or to use capital to “reward human exertion,” is all well enough, but to do either to “reward labor,” (which “includes *all* human exertion,”) would worry Mr. George's doctrine, that capital has nothing to do with the payment or maintenance of labor.

"Land, labor and capital are the factors of production. The term land includes all natural opportunities or forces; the term labor all human exertion; and the term capital, all wealth used to produce more wealth. In returns to these three factors is all the produce distributed. That part which goes to land owners as payment for the use of natural opportunities is called rent; that part which constitutes the reward of human exertion is called wages; and that part which constitutes the return for the use of capital is called interest." (P. 145.)

Now this, all except the "human exertion" feature, is good, sound sense and pure politico-economic science—the very essence of the "current theory" on the subject. And to us it looks rather ungracious in Mr. George, after thus endorsing and adopting bodily the doctrine from the old system, that he should go right on in the next paragraph to rail at "the miscarriage of political economy." But the fact is, he does not stick to it any longer than it seems to suit his purpose. On page 155 he tells us again, that interest "includes all returns for the use of capital, and not merely those which pass from owner to lender." And then on page 167: "Interest is not properly a payment for the use of capital, but a return accruing from the increase of capital." It cannot be "a payment," one must suppose, because it accrues! And there is such a broad gulf of difference between the words "payment" and "return," in this connection! It is by such nice distinc-

tions, and deep penetration as this, into the heart of things, that Mr. George puts his insight and faculty of discrimination in contrast with the blunderings of the "great thinkers."

In view of the fact, so "persistently" insisted on by Mr. George, that rent, wages and interest are all produced by labor and capital, it looks like a mere jugglery of words to say, (p. 153,) that "wages and interest do not depend upon the produce of labor and capital, but upon what is left after rent is taken out." That is to say: Tom and Dick's shares of a barrel of cider do not depend upon the cider, but upon what is left after Harry's share is drawn out.

Mr. George says, on pages 153 and 154:

"No matter what be the increase in productive power, if the increase in rent keeps pace with it, neither wages nor interest can increase."

Let Mr. George substitute for "interest," in the above-quoted passage, the word "profits"—which includes interest—and he would say what all the current authorities have plainly indicated before him. And though he may have needed "a flood of light" to make it visible to him, it may well be doubted whether it was ever so hopelessly obscured to any other student of Political Economy. But Mr. George does not seem to be willing to let the old writers con-

sider the relation of capital to wages as a separate question, in the analysis, with the rent element omitted, to take its proper turn. If he had adopted Mill's order of arrangement in this, as closely as he has his words in other places, (see "Rent,") without acknowledgment, he might have spared himself a deal of tribulation on this perplexing subject.

On page 157 Mr. George states, that the exponents of the current Political Economy lay down the doctrine, "that wages and interest bear to each other an inverse relation, and that interest will be low or high as wages are high or low." Then he adds a note, as if from a prick of conscience, that "this is really said of profits, but with the evident meaning of returns to capital." This correction helps somewhat, but it is not the *amende honorable*, for it does not yet give the whole truth. For *their* "meaning of returns to capital" is not Mr. George's meaning—restricted to interest alone. "Profits," with the author alluded to, includes "insurance, compensation for risk *and* interest." And the proposition that Mr. George puts in its place is expressly repudiated, and its fallacy exposed. (Mill, Book II, Chap. XV, §

Page 157: "Abstinence produces nothing," says Mr. George, endeavoring to show that it is

not the ground of interest. "Why, then," he asks, "should any part of what is produced be claimed for it?"

For the best of reasons—furnished by himself. He says the function of capital is to assist production; (without which assistance there could be no such production as is requisite to civilization); and capital is the fruit of abstinence. And if capital produce, or assist in producing, and be itself produced or preserved by abstinence, it is not drawing nice distinctions, but the sheerest quibbling, to say that abstinence produces nothing. Abstinence saves earnings—the penny, which is as good as two earned, which is wealth, convertible into capital. What's that, but "produced"? It is hardly necessary to follow further an argument that rests on a manifest quibble.

Perhaps there is nothing more curious in Mr. George's book than his *pro et con.* of the Interest question. He opens with the inquiry, whether interest be justifiable at all, and thinks the arguments in support of it have generally proved to be failures. He, however, having got down to the bottom rock of the matter, settles the question, and concludes that interest is justifiable, because it is not a human contrivance, but the result of a law of the universe. (P. 168.) The chief factor is time.

Questioning the appositeness of Bastiat's illustration of the plane, he says:

"One carpenter, James, at the expense of ten days' labor, makes himself a plane, which will last in use for two hundred and ninety of the three hundred working days of the year. William, another carpenter, proposes to borrow the plane for a year, offering to give back at the end of that time, when the plane will be worn out, a new plane equally as good. James objects to lending the plane on these terms, urging that if he merely gets back a plane he will have nothing to compensate him for the loss of the advantage which the use of the plane during the year would give him. William, admitting this, agrees not merely to return the plane, but, in addition, to give James a new plank. The agreement is carried out to mutual satisfaction. The plane is used up during the year, but at the end of the year, James receives as good a one, and a plank in addition. He lends the new plane again and again, until finally it passes into the hands of his son, 'who still continues to lend it,' receiving back a plank each time. This plank, which represents interest, is said to be a natural and equitable remuneration, as by giving it in return for the use of the plane, William 'obtains the power which exists in the tool to increase the productiveness of labor, and is no worse off than he would have been had he not borrowed the plane; while James obtains no more than he would have had if he had retained and used the plane instead of lending it.'"

Mr. George dissents from this. According to him, to maintain the equitableness of the relations between James and William, the plank which stands for interest, and represents a day's labor, must be left out, and either each must make his own plane and planks, or, if a plane be borrowed, it must simply be returned as good as new, for if,

—"in addition to the return of the plane, a plank is given, James at the end of the year will be in a better position than if there had been no borrowing, and William in a worse. James will have two hundred and ninety-one planks and a new plane, and William two hundred and eight-nine planks and no plane. And if William keeps on borrowing of James on the same terms, is it not evident that the income of the one will progressively decline, and that of the other will progressively increase, until the time will come when, as the result of the original lending of a plane, James will obtain the whole result of William's labor—that is to say, William will become virtually his slave?" (Pp. 158-160.)

Well, suppose it to be so what are you going to do about it? What do you *wish* to do about it, since, being the result of one of the "laws of the universe," it is not only inevitable, but "just." (P. 168.) And yet it seems to bear rather hard upon William. And it all comes from a characteristic misapprehension of the real nature of the transaction between them. It is because, says Mr. George, what

—"Bastiat (and many others) assigns as the basis of interest, the power which exists in the tool to increase the productiveness of labor; is neither in justice nor in fact the basis of interest."

"The fallacy" of it all lies in the fact,

—"that with the loan of the plane they associate the transfer of the increased productive power which a plane gives to labor."

The essential thing which James loaned to William was not "the increased power which labor acquires from using planes," but, since it

took ten days to make the plane, "the essential thing" that James loaned and William borrowed was "*the use of the concrete result of ten days' labor.*"

If William had only known this — though all the other conditions remain the same — he would have been neither fleeced nor enslaved ; or, if he had been both, it would have been so clearly the result of a "universal law" and so "just" that he would only have been delighted with the robbery and slavery.

The difference between a plane as a plane, and a plane as "the concrete result of ten days' labor," makes all the odds. Algebraically formulated it stands thus : The concrete result of ten days' labor, plus wood, plus iron, equals plane. If one had read this in a comic almanac, or in the "funny column" of a newspaper, he need not have been amazed ; but turning up in a serious, scientific book — "though it make the unskilful laugh, cannot but make the judicious grieve."

But let us return to Mr. George's question (p. 160) and see whether the "income of the one will progressively decline, and that of the other progressively increase."

There are, say, three hundred working days in the year. James makes a plane in ten days. He

has two hundred and ninety days in which to use his plane. But instead of using it, he lends it to William, who is to return to him as good a one at the end of the year, with a plank beside, for the use of it. It takes William ten days also to make the new plane. So he has two hundred and ninety days in which to work on planks, and by help of the plane earns two hundred and ninety planks—one a day. At the end of the transaction he has two hundred and eighty-nine planks, and James has back his plane, plus one plank. William borrows James's plane the second year, on the same terms, and again has two hundred and eighty-nine planks for his three hundred days' labor, (ten going to the making of the return plane,) while again James get back his plane (good as new) with another plank. So going on, in ten years James should have ten planks and his plane in return for making one plane; and William would have $289 \times 10 = 2890$ planks as the product of his labor with the borrowed plane. He is so much the better off than at the beginning, as to the possession of planks—and is not James's "slave" for anything that the borrowing has had to do with it.

Now, if William had made his own plane, he would not have paid James the ten planks for the use of his, and in the matter of planks would

have apparently been so much the better off. But since, as Mr. George says, (p. 167,) William "would soon find out if it did not pay him to give a plank for the privilege of deferring payment on James's plane," it is to be presumed that it was made up to him in some other way. And, since "there might be a mutual advantage in the loan of the plane," (p. 161,) was not that the only ground of the transaction, and the "justification of interest" — whatever difference there may be between the "reason" the "cause," and the "justification" of interest?

Now, if James can live on one plank a year, and do so, is it to be said that he is supported out of the product of William's labor? Not at all, he is supported by that property (imparted by his labor or inventive faculty) of the plane (call it "concrete result" or what you will) which makes it profitable for William to borrow it. He is not obliged to borrow it — by the hypothesis — and as he "would soon find out if it did not pay" to borrow it, and thinks he has a reason for this mode of managing his business, wherein is he the "worse" off, or what wrong does he receive at James's hands? If there were not some advantage to him he would not continue the process. That advantage, whatever it be, is an equivalent for the plank paid to

James. And, though he may do James a wrong by enabling him to live in idleness, James clearly does him none in lending him his plane.

Hence, the question must be answered diametrically the contrary of the way in which Mr. George intimates it should be. If James gives up the use of his plane to William, he will have only one plank at the end of the year—the one received “as interest” from William. In order to have two hundred and ninety-one planks at the end of the year, James must have had, or made and used another plane. If he makes two planes instead of one to start with, he consumes twenty instead of ten of the three hundred working days in plane-making, and could then have only two hundred and eighty planks for his own labor, and one from William, making two hundred and eighty-one to William’s two hundred and eighty-nine, for the first year—and only *after* that will he get two hundred and ninety-one planks to William’s two hundred and eighty-nine—taking ten days yearly to renew his own plane—re-lending the one returned by William. Even then it would take eight years for James to catch up to William. And since William makes his two hundred and ninety planks every year, and pays but one to James, where is the “progressive de-

cline" of his income, and the increase of James's, if they keep on forever "borrowing and lending *on these terms?*" And what can be Mr. George's motive for asking such a question, instead of attempting to *show* to be true what it implies to be true, when the implication can easily be shown to be false?

"The essential thing which James loaned to William was not the increased power which labor acquires from using planes." (P. 160.)

Certainly not; in plain English it was a plane — nothing can be plainer. The power (aid) it imparts to labor comes when it is used — not when it was loaned. In spite of the grandiloquent "concrete result," we must insist that the loan was of a thing, (a plane,) quite as much as it would have been had it not been a concrete result.

Mr. George is prolific in assertions. "If," he says, (p. 161,)

— "the power which exists in tools to increase the productiveness of labor were the cause of interest, then the rate of interest would increase with the march of invention. This is not so. Nor will I be expected to pay more interest if I borrow a steam engine than if I borrow a pile of bricks of equal value."

Verily.—And for the very good reason that if the pile of bricks be of *equal value*, with the steam-engine, it will command just as much in-

terest as the steam-engine. But, if, after William has worked one year with James' plane, he learns that Thomas has invented a plane by which, with the same exertion, twice as many planks can be made in a day as, by the old one, will not William gladly drop the old one and borrow the new and pay two planks (twice as much interest) for the use of it? And would the contrivance, in the new plane, which "adds to the productive power of labor," (p. 161,) sustain no relation to the increased interest—the second plank—as a "reason" or "cause" or "justification?"—for Mr. George has tagged "interest" with all these epithets, anxious as he is to be "clear and conclusive."

Now, suppose that Henry invents and makes a steam-machine-planer in ten days that, with the same exertion, turns out a thousand planks a day, will not William pay Henry more for the use of it than for James's or Thomas's plane? Is it not true then that *the* interest does "increase with the march of invention?" "O, yes," says Mr. George—"the particular interest, but not interest in general—not the general rate." Exactly.—Here lies the point. That is the trick of the argument. Mr. George skips from the plank, paid for the use of the plane, to interest in general and *invention* in general—

the necessary tendency of which, "by increasing the productive power of labor," is to let down interest. If Henry's steam-machine-plane make planks enough in a year to drug the market, William will not pay him two cents for the further use of it. And here it is where that "meaningless formula of supply and demand," as Mr. George calls it, (142,) comes in—and which explains why the general rate of interest does not increase with the march of invention; while it may still be true, that "the power which exists in tools to increase the productiveness of labor, is the cause of interest,"—a truth which Mr. George himself cannot fail to see if he will only keep that "plank" in his eye. Again:

"Nor does the improvement of tools add to the reproductive power of capital; it adds to the productive power of labor." (P. 161.)

As, for example, the plane, though it does not give to William "the privilege of applying his labor in a more effective way, (p. 161,) nevertheless "it adds to the productive power of [his] labor." Strange, that Mr. George's memory could not carry him safely over the space of less than a dozen lines! Nevertheless, Mr. George is "inclined to think" that all interest, taken on this ground "would be but the robbery of industry." (P. 161.) Interest,

to be legitimate, must be the result of the "active power of nature; the principle of growth," "the everlasting flux of nature;" (p. 162;) the chief element of which is "time;" (p. 165;) or that unknown something "which everywhere characterizes all the forms of that mysterious thing or condition which we call life." "This is the cause of interest." And, by parity of reasoning, gravitation is the cause of the jack-plane. By this method of following things up, even Mr. George's book may be traced to "the everlasting flux," as easily as the dust of Alexander is traced to a bung-hole. Without gravitation there could be no sun. No sun, no light, not so much as the dim glimmer of a farthing candle; no light, no heat; no vegetation, no wood; no man, no jack-plane; no plank, no interest. As deep as Mr. George is, we delve one yard below his mine and find *gravitation* to be the "cause of interest," being the cause even of the "flux" itself.

He says: (p. 162:)

"It is true that if I put away money, it will not increase, But suppose, instead, I put away wine. At the end of a year I will [shall] have an increased value, for the wine will have improved in quality. Or . . . I set out bees; at the end of a year I will [shall] have more swarms of bees, and the honey which they have made. Or . . . I turn out sheep, or hogs, or cattle; at the end of the year I will [shall], upon the average, also have an increase."

All this "springs from the element of time—the difference of a year between the" (p. 165) turning out and taking-up. But this element cannot operate on a plane, "for a plane at the end of a year has no greater value than a plane at the beginning." It is not the "*use*" of the plane; it is not its "power to add to the effectiveness of labor," that is the basis of interest in the case of the plane; the only "justification" of interest, in the case of a plane—the demanding of a plank for a year's use of it—lies in the fact that it might have been a calf, transformable by a year's growth into a cow. For if James, instead of lending his plane to William, had sold it for a calf, and loaned the calf to William, "it is clearly to be seen that to put James in as good a position as if he had not lent it, William, at the end of the year, must return, not a calf, but a cow." Though the benefit to William, or how it is that he "can afford to give back" a cow for a year's loan of a calf, is not so clear. It is not clear, notwithstanding Mr. George tells us that it is

—"because the same general average of advantages of labor applied in different modes will enable him to obtain from his labor an advantage from the element of time." (P. 165.)

If William cannot "obtain from his labor an advantage from the element of time," he is un-

der no obligation to pay a plank to James for the use of his plane. "If all wealth consisted of planes interest would be robbery of industry." (P. 161.)

But since, instead of a million planes, a man may have cattle on a thousand hills, interest comes by "a law of the universe" and is "just." That is to say, the only "reason," "cause," "basis," "justification" of interest, is, that James, instead of being a carpenter or maker of planes, *might* have been a stock-farmer and breeder of calves. And here is "clearly seen" the part the great magician Time plays, for that is "the element" which converts calves into cows. But even this is not profound enough for Mr. George. He must even get back of Time. For: "in the last analysis, the advantage which is given by the lapse of time springs from the generative power of Nature and the varying faculties of man," and hence, "interest," like Dogberry's "reading and writing, is the gift of Nature." (P. 166.) If I can "certainly" let out a thousand dollars at interest, "it arises" precisely from the fact that another has not, though he be a "millionaire," *that* thousand dollars, and wants it for some particular purpose, and is willing to pay for the use of it. And to put it in any other form is refining out of reason — like

one gone mad upon distinctions.—As for example: "Interest is not payment for the use of capital, but a return accruing from the increase of capital."

But how is it, in case interest be paid in advance, and the increase fails—as often happens?

And speaking of distinctions, take this—at the risk of a surfeit: On page 161, we are virtually told, that capital does not confer the privilege of applying "labor in a more affective way;" while, on page 167, he speaks of adapting capital in such forms as to "increase the effective power of labor." This is inconsistency "gross as a mountain," and worse than not being "clear and conclusive."

And still they come! On page 161 he tells us, in the case of the plane, that "the essential thing which James loaned to William, was not the privilege of applying his labor in a more effective way, but the use of the concrete result of ten days labor." In another place, (p. 165,) he says, the return to James does not arise "from the increased power which the tool gives to labor," (nor even the use of a "concrete result,") "but it all springs from the element of time." Finally, (p. 167,) he assures us, that the benefit is, neither "in the element of time," nor in the use of a "concrete result," but in the

"use" absolutely. "Lay thy finger thus, and let thy soul be instructed."

"Now, while by adapting capital in proper forms, we may increase the effective power of labor, to impress upon matter the character of wealth, (p. 167,) as when we adapt wood and iron to the form and use of a plane; or iron, coal, water, and oil to the form and use of a steam engine; or stone, clay, timber, and iron to that of a building, yet the characteristic of the use of capital is, *that the benefit is in the use.*"

That is to say, "Whatever is, is." *Mirum et semper mirum!*

But the scope and conclusiveness of Mr. George's argument on the cause of interest, is not fully seen till near the end of the chapter, (pp. 168, 169,) where he corrects (?) the common error of supposing interest to be "that which is paid for the use of capital to the owner of capital." The return of anything, on which I spend labor or capital, is — no longer "wages," as we have previously been taught—but *interest*. The apples I pick — if I planted the trees — the carrots I pull, the potatoes I dig, are actual instalments of interest. This is a way to make argument easy: call apples, "cow's milk," carrots and potatoes interest; then show that these are products of Nature, and you then see how interest comes by a law of the universe; and how you might as well "talk about abolishing" the law of gravitation as interest. Mr. Mill

says, ("Political Economy," vol. I, p. 509,) that the "cause" of interest, ("profit," which includes interest,) is the productive power of labor. Now, this cause, or law of interest, may not be as deep as a well, nor as wide as a church door, but it is perhaps as natural and honest as Mr. George's, though it exclude cow's milk, potatoes and small fruit generally—taken after his fashion.

Mr George tells us, on page 171, that,

—"a Government bond is not capital, nor yet is it the representative of capital. The capital that was once received for it by the Government, has been consumed unproductively—blown away from the mouths of cannon, used up in war ships, expended in keeping men marching and drilling, killing and destroying. The bond cannot represent capital that has been destroyed. It does not represent capital at all."

And yet is not a Government bond "capable of commanding wealth"? Is it not, when on the market, "wealth in the course of exchange"?

And that which is usually called interest on public debts, is not "in the strict sense" interest, but

—"taxes levied on the produce of labor and capital, leaving so much less for wages, and so much less for real interest."

Very likely Mr. George is not entirely singular in these views. Yet, to say that a Government bond is not capital, nor the representative

of capital, seems like taking a very superficial view of the subject. And equally so, to say that the capital that was once received for it has been consumed unproductively—"destroyed," so that a bond cannot represent it. Whether the capital so received by the Government, be blown away from the mouths of cannon, used up in ships, forts, trenches, or any of the appliances of a just and defensive war, successfully prosecuted, it has served its purpose, a good and necessary purpose, and has not been "wasted," nor destroyed, nor "consumed unproductively." If it prevented the destruction of a good Government; if it rid the country of a monstrous crime or an enormous evil; if it saved the lands of the people from devastations of war, their habitations from the torch of the armed incendiary, their wives and daughters from insult and outrage; can it be said, that it has conferred no abiding benefits upon the people who are to be taxed to enable the Government to keep its promises to the lender? Have they not an equivalent in perpetuity for the capital "wasted"? Had the Government invested the capital in turnpikes, dykes and jetties, levees, canals and breakwaters, or embankments to protect the fields and homes of the people from the fury of floods, fires and

tempests, it would, according to Mr. George, have continued to be capital—the same as when used for

—“deepening a river-bed, the construction of light-houses, or the erection of a market.”

But have not forts, and iron-clads, breast-works and trenches, and powder blown from the mouths of cannon, saved us from greater calamities than any which light-houses, dykes or jetties ever spared us, and enabled this people to go on producing, and adding to the vast wealth of the country? Powder blown from the mouths of cannon—is it necessarily “wasted”—capital “destroyed”—any more than powder exploded in coal-mines, stone-quarries, and St. Gothard tunnels? Is not the powder which conserves wealth, as well spent as that which creates it—even on the Poor Richard principle, that a penny saved is worth two earned? If the cannon, ships, and forts saved us at all, it was not for a day, but for all time, with a continually accruing and augmenting benefit to the whole people of many succeeding generations. *Why* the capital invested in batteries that saved the land from devastations of war, cannot be represented by bonds, as well as capital invested in dykes that save the land from the ravages of floods, is a question that Mr. George does not deign to answer.

In approaching the Law of Interest, (p. 176.) Mr. George requests us to keep in mind "two things." The second is: "That capital is not a fixed quantity." The first, and probably the most momentous, is: "That it is not capital which employs labor, but labor which employs capital."

It is to be presumed that a correct apprehension of the distinction here set up, is as essential to the science of Political Economy, as would be, to the establishment of a sound Biology, the solution of the problem with respect to the primitive fowl—whether the first hen came from an egg, or the first egg from a hen. But, alas! just as you begin to think you are getting in sight of land, he takes another tack and heads out to sea again with the declaration, (p. 179,) that labor and capital are the same thing—"human exertion"—in different forms—allotropic states of the same elements, or rather allomorphic, with identical properties. Capital is human exertion—and human exertion is capital. So, you may reconstruct his "*First*," and render it thus: "It is not human exertion which employs human exertion, but human exertion which employs human exertion." On pages 183-188, you will find this nonsense still further insisted on. The

most wonderful thing about it all is, that the world could ever have gone so clean daft upon the subject, as to suppose an antagonism between labor and capital when it is so obvious, that they are the same thing!

"Interest must rise and fall with the rise and fall of wages." (P. 181.)

This is affirmed as connoting a relation of cause and effect; which, if true, is subject to no real exception. A single exception disproves it. There is no place in the world where interest is so high, and wages so low as in India and China, where it varies from 15 to 65 per cent., while wages are the smallest living pittance. Some cause for this must be sought other than that found in the relation of wages to interest. This fact alone refutes Mr. George's law. And if it be not the law, some other explanation must be found for its apparent confirmation in California. When wages were high there, interest was high. Now, that wages are low, interest is low. Is it coincidence, or cause and effect? Mr. George assumes the latter, and is a victim of the *post hoc propter hoc* fallacy. From his standpoint the true elements of the case are overlooked. When wages and interest were high, population and capital were both scarce; now, while interest and

wages are low, both population and capital are abundant. This accords exactly with the "current theory," and conflicts with Mr. George's. Still, another circumstance connected with high interest in California, the very circumstance which determines, more than any other thing, the rate of interest in India, was "risk," the greater uncertainty—the sense of insecurity—which prevailed in the earlier days of the California settlement. This element is always present in all those commercial crises—or not to use so strong a term—"fluctuations," which run up the rate of interest: a circumstance too, which operates directly or indirectly to lower wages. This alone completely reverses Mr. George's law. When from the sense of insecurity, that comes with "hard times," men hoard and hide, and will lend only on great inducements, (high interest,) labor bids in competition for work, scarce from the withholding of capital, and runs wages down. This is law, logic and experience.

Here is Mr. George's "law of interest":

"The relation between wages and interest is determined by the average power of increase which attaches to capital, from its use in reproductive modes. As rent arises, interest will fall as wages fall, or will be determined by the margin of cultivation." (P. 183)

What kind of work would Mr. George make of it, if he were to attempt to define the law of gravitation after this manner? "You cannot feed capons so."

Is there any other capital than that which is used "in reproductive modes"? Is it not the very characteristic of capital that it is wealth so used? Then why cram this superfluous definition into the belly of another one? If thinkers are to be judged by their skill in definitions, it will go hard with Mr. George, for that, at least, is not his forte. Not five lines away from this attempt at defining the law of interest, he excuses his lengthy elucidation of his subject, on the ground of its having been embarrassed by "befogging discussions." Is it possible for anything to be more befogging than this statement of a law?—"Lengthy elucidation!" How many pages of it would it take to let daylight into such a definition for men "who have had no previous reading"?

CHAPTER VI.

ODDS AND ENDS.

THE one particular thing that Mr. George has tried to sear into the souls of his readers, as with a hot iron, is the vagary that wages and the product of labor are one and the same thing. Primitively *all* the product of his labor was his wages, and, in justice, always *ought* to be. (Pp. 146 and 148.) Having identified wages and the product of labor, he goes still further, and identifies capital with the product of labor. Wages, "the full produce of labor." (P. 186.) All the capital that is the produce of labor, is thus seen to be wages. Hence, wages, the produce of labor and capital, are one and the same thing. And last, but not least, comes the announcement that labor and capital are the same thing. (P. 147.) The sum of which is, that labor, the product of labor, wages and capital are all one and the same thing, and the terms exactly interchangeable: for two or three

things which are equal to the same thing are equal to one another.

Now, bearing in mind the analysis which has annulled (?) the apparent diversities of four separate things, (which Mr. George has been struggling through pages to separate and define,) and resolved them into one, we ask the reader to turn to Mr. George's "law of wages," on page 192, and read it with the terms converted, as we have full authority to do :

"Wages depend upon the margin of production, or upon the wages which labor can obtain at the highest point of natural productiveness open to it without payment of rent."

Or, carrying the substitution still further :

"Wages depend upon the margin of production, or upon the *wages* which wages can obtain," etc., etc.

And then extend the process to the following passages, quoted from page 185 — "wages will be fixed by the value or produce of such labor to the laborers themselves."

Or, by substitution, thus :

"Wages will be fixed by the wages of such wages to wagers themselves."

Again :

"The principle that men seek to gratify their desires, with the least exertion, will fix wages

at the produce of such labor at the point of highest natural productiveness open to it."

Or, the principle of least exertion "will fix wages at the wages of such wages, at the point," etc., etc.

Thus, taking Mr. George at his own word—taking his own words, just as he trimmed them up and cut them down, and steeped in the ichor of the "new political economy," we see what a tinkling cymbal they make of his masterpiece of definitions—all in italics—"stuck upon a pole," so to speak, as if to make sure of the eye of the reader. *Sic transit gloria* of his high-sounding "law of wages."

And yet, we have to thank him for telling us, and plainly, too, what the law of wages is, though he himself does not seem to know it; possibly, because it is a law that can be "apprehended without being recognized." (P. 191.) We can "fish it out" from the last passage above quoted. It is in a nut-shell, though the nut is left for us to crack. It is that "supreme law of the human mind," which impels mankind to get the most possible pay for the least possible work; and, reciprocally—the employer to get the most possible work for the least possible pay. The wayfaring man can understand that; and that is the sum and substance of the

whole of Mr. George's chapter on "Wages and the Law of Wages." In slightly-varying forms he tells us over and over again, that the "law of wages" is the law of least exertion. Indeed, that is the fundamental law of his whole, rickety fabric; yet, a law which he ultimately wholly repudiates—as we shall see hereafter.

"What conceals the absurdity of speaking generally of supply and demand, in reference to labor, is the habit of considering the demand for labor as springing from capital, and as something distinct from labor; but, the analysis to which this idea has been heretofore subjected, has sufficiently shown its fallacy." (P. 188.)

But, suppose it should turn out that the *ne plus ultra* of absurdity consists in speaking of capital and labor as the same thing—what then becomes of all this argument founded on the "analysis" of capital and labor into the *same* thing? We have already shown (p. 143) what a mess, to our mind, this analysis makes of Mr. George's definition—and that the position is not absurd only, but transcendental nonsense. Even if labor were the sole cause of all the value that is in anything called capital—still it must be distinguished as cause from its effect. A diamond-hunter finds in an hour's search a diamond that can purchase half a million bushels of wheat. Is the value of that diamond due to the "labor impressed upon

matter"? (P. 179.) Is there labor to the value of half a million bushels' worth of wheat "stored up" in that diamond, "to be released again as needed, as the heat of the sun stored up in coal is released in the furnace"? (P. 179.) Surely, Mr. George will not deny that the diamond is a "tangible thing," capable of ministering to human desire; (p. 171;) of buying bread, meat and lodging-place. There is some difference between the thought of a diamond as having its market value impressed upon it by labor, and its standing as the equivalent of such marketable commodities as it can command. Page 191:

"It is not low wages which will cause the working of low-grade ore, but the extension of production to the lower point which will diminish wages."

But, how is this extension to be brought about? Either, by relative exhaustion of better mines, or by increase of laborers, equals lower wages. And as the latter takes place sooner than the former, it is oftener the cause of extension; and there is no "inversion of cause and effect"; especially, as it is also true, that reduction of better mines to lower grades, will not cause "extension" to lower, unless there be cheaper labor to make the extension possible. See preceding page 154 for Mr. George's "law of wages."

Mr. George has, here as elsewhere, a curious way of stating laws. If it be the law of wages to "depend upon" something, the inference would be, a higher law as the true one; the law of least exertion, perhaps.

The real import of this "law" is, that wages are fixed by the highest product of labor upon free land. But, this looks as if it were not a law of wages at all, but of *labor* to fix wages by its highest product upon free land.

The final cause of Mr. George's industry begets the exigencies which prescribe the methods of it. The sum of all the evils of poverty—or, at least, the cause of them—is, with him, private ownership in land. The remedy for all evil is abolition of private ownership in land. The accomplishment of this, is the final cause of Mr. George's book. To this everything must bend. Old words must be wrenched to new uses—stuffed in one place, gutted in another, until they are made to carry precisely such luggage as Mr. George sees fit to pack them withal. Read the "current doctrine" with Mr. George's definitions, and you make a terrible mess of it. Read Mr. George's book with the standard definitions, and you make a terrible mess of it. Read Mr. George's book with his own definitions, and that mess is worse than all the rest.

"Capital is wealth in the course of exchange;" (p. 71;) capital "consists of wealth used for the procurement of more wealth;" (71;) capital enables labor to "apply itself in more effective ways;" (71;) a plane is capital, (40, 41, 42,) and "adds to the productive power of labor;" (161;) but if you borrow a plane, you do not borrow the power ("privilege") of "applying your labor in a more effective way," but you borrow the "concrete result of ten days labor;" (161;) capital enables "labor to avail itself of the reproductive forces of Nature;" (71;) capital increases "the efficiency of the human factor of wealth;" (71;) it does not pay the wages of labor, nor maintain labor; (72;) it does not supply the materials of labor, (71,) though it grows, digs, chops, mines and transports them; capital does not limit industry. (72;) it may limit the form and productiveness of industry; (73;) to limit industry, and to limit the productiveness of industry, are different things; (73;) [even though the aim of all industry be production, and even though the productiveness "be limited to zero—still that is not limiting industry!] Capital assists labor: (192;) [But, if it does not assist it — it does not *limit* it!] "A Government bond is not capital," (171,) yet capital "is anything to

that value [a "steam engine or pile of bricks"] within the circle of exchange;" (161;) a cow is capital, (169,) but a bond is not; [though you can "exchange" a bond for a dozen cows; and though "anything in the course of exchange is capital."] Any tool (except a "plane") is capital, because "it adds to the productive power of labor"—"assists labor;" yet no improvement of the tool adds to its [capital's] "reproductive power," but only adds to the productive power of labor; (161;) "Capital assists labor;" "Capital is the same thing as labor;" (179;) it permits "the division of labor:" (71;) it is *but* a sub-division of labor;" (183;) "capital is "*but* a mode of labor:" (179;) Capital is labor impressed on matter;" it is "labor stored up in matter:" (179;) "Capital is labor:" (179;) "Capital is produced by labor;" (179;) [that is to say, the product of labor is labor!] "The use of capital in production is, therefore, but a mode of labor. As capital can only be used by being consumed, its use is the expenditure of labor." (179.) "All articles of wealth are capital so long as they remain in the possession of those who propose *not* to consume them, but to exchange them, . . . and cease to be capital when they pass into the possession of those who will consume

them, . . . irrespective of whether their consumption will aid in the production of wealth or not." (64.) "Unless this distinction is preserved, it is impossible to draw the line between the wealth that is capital, and the wealth that is not capital." [We see how well Mr. George preserves the distinction!] Labor is human exertion: Capital is human exertion, (acrobatic and otherwise?) and capital is a product of human exertion. The product of labor, is the wages of labor. (44.) Labor, the product of labor, and capital are the same thing. Labor is its own reward—it draws its wages from itself; and as labor and capital are the same thing, labor draws its wages from capital—that is, capital pays labor, notwithstanding Mr. George has repeatedly told us, that the "maintenance and payment of labor do not even temporarily trench on capital, but are directly drawn from the product of labor"—which, ("Angels and ministers of grace defend us!") is capital. The very act of exchanging "the direct product of his own labor," (24,) converts it into capital. (Pp. 42 and 71.) "If he digs roots and exchanges them for venison," the roots and venison (24) are capital—"wealth in the course of exchange." (Pp. 42 and 71.) Capital does not pay the wages of labor, nor support labor, (71,) for

labor [*i. e.*, capital] pays and supports itself. All that stored-up labor [capital,] does for labor is to "assist" storing labor in storing up more labor—for it neither pays the wages of labor, nor supports it during production;" (71;) yet it is and does both. Moreover, it is wages, capital, and labor (and shall I couple wealth?) all at once! All this is *after* Mr. George's promise to be definite, "clear and conclusive."

Take this also. On page 158 Mr. George says: "Accumulation is the end and aim of abstinence." On page 161 we are told, that

—"the hope of increase is not the motive, or at least the main motive for accumulation. Children will save their pennies for Christmas; pirates will add to their buried hoards of coin; and men like Stewart or Vanderbilt, having become once possessed of the passion of accumulating, would continue as long as they could to add to their millions, even though accumulation brought no increase."

Now, when Mr. George will tell us what *is* the "motive for accumulation," and how there can be accumulation without increase, or how men can "add to their millions" without increasing them, we may hope to find something besides unmitigated twaddle in the above paragraph. As it stands, it is harder to interpret than Bottom's dream.

Page 183: "The primary division of wealth in distribution is dual, not tripartite." The two

factors of wealth are "natural substances, and powers, and human exertion"—in round terms, Labor and Land: (185.) And the product of the two factors, wealth, is divided between wages and rent. The more rent, the less wages, and *e converso*. The tug then, is between wages and rent. Capital and Labor ought to be on the best of terms—indeed, must be, since they are really not only a "little more than kin, and less than kind," but, actually one and the same thing—standing under two banners indeed, yet as unit against the common foe, according to Mr. George. And surely Labor has little of which to complain, if it gets all it produces, save what goes to rent, or, if with all the capital of the country in its pocket, it suffers Rent to take more than its proper share. Labor is rapidly coming to a sense of its rights. If Capital could only be brought to know itself *as* Labor and make common cause *with itself*, Rent would soon be doomed—the dragon Monopoly slain, and the holy calendar graced with our new St. George. But alas! just as we thought this "final analysis" had brought us into port, we find it was only a delusive mirage which has vanished into thin air, and left us still out on the wide, wide sea, without chart or compass, God himself scarce seeming there to be. He

no sooner establishes the identity of labor and capital, than he forgets or abandons it, and thenceforth goes on to speak of them as separate elements. They were the "same thing," now they are two again, (199,) and the dual theory of distribution is also forsaken. *Three things* unite to production—labor, capital, and land; and three parties divide the produce—the laborer, the capitalist, and the landowner." (199.) We have Mr. George's authority for it, that the "primary distribution of wealth is dual, not tripartite;" (183;) and also Mr. George's authority for it, that it is not dual, but tripartite. (199.) Which is the better authority?

"Wages are determined by the margin of cultivation." (P. 197.)

On page 192 Mr. George gives us his "law of wages," in these words:

"Wages depend upon the margin of production, or upon the produce which labor can obtain at the highest point of natural productiveness open to it, without payment of rent."

The only difference between these two propositions is in the diameters of the phraseology. They are both put up in good, mouth-filling words; and what is better, they mean something. They mean, that the rate of wages is fixed by the market value of the produce of labor applied to free land. That is to say: John Jones

will not work for Farmer Smith for one dollar's worth of potatoes a day, if, taking Farmer Smith's land by natural right, he can, with the same amount of labor, "dig" for himself one dollar and twenty-five cents' worth of potatoes a day.

"Not so," says Mr. George, "Jones is not to dispossess Smith, but he is to go upon the next quarter section."

He goes, and finds the next quarter section also staked out and fenced in. And, upon inquiry, learns that all the quarter sections his side of the Rocky Mountains are fenced in. What is to be done? There are two courses open to him, with a contingent third. He can go back to work for Smith, or he can strike out for free land beyond the Rocky Mountains, or, *perhaps*, he can exercise his natural right, and pull down some of these obstructive fences. Why not? Why not begin with Farmer Smith's? Or, why should not the State step in and pull them all down, and let John Jones assert his natural right to go and dig where he pleases? No sooner said than done. Jones sets out to assert his natural right to the soil, but unhappily keeps colliding with other Joneses and Smiths out on the same business, and so on, till the collisions become quite promiscuous and

general. In fact, under the Georgian regime, there would be little else except collision—every man fighting for his natural right to a quarter section with some other man who has the same natural right to the same quarter section.

But we did not need go so far to get a sight at the weak side of Mr. George's "law." Pretty as it looks, it is practically nothing. The fallacy of it lies in the undivulged implication, that every working man is by birth and education a root-digger—that men have no other desires than an appetite for roots, nuts and wild berries; that, if land were free, any laborer could organize himself into a "strike," at the tap of a drum, fling down his lapstone, his burrin or jack-plane, take his finger nails, go onto the next quarter section, and dig and eat roots to the satisfying of his soul. But what is that, but going back to barbarism? Mr. George himself seems to have an inkling that it squints that way, and not altogether regretfully. See his book, pp. 256, 257.

"It is not low wages which will cause the working of low-grade ore, but the extension of production to the lower point, which will diminish wages." (P. 191.)

Very likely; but, is it not pertinent to ask, how you are going to *extend* production with-

out the means of extension? You own two mines; one yields a profit with labor at two dollars a day; the other *would* yield a profit, with labor at one dollar and a half a day. How can you extend production to the lower grade, till you can obtain labor at the cheaper rate? Or, could you "force the wages down" by "extending the production," if you had the surplus means for paying, for a time, two dollars a day? One cannot see how. It is obvious that you must take your mine to the place where labor is cheaper, (wages lower,) or wait till cheaper labor come to it.

Or, suppose wages were forced down by a fresh influx of laborers—increase of population; (p. 192;) if the poorer mines were not worked, the cheaper laborers would take the place of the dearer ones in the rich mines, or compel the dearer to accept reduced wages. If a dollar a day will stop the hungry mouths, the strong hands will not let them stay hungry, out of complaisance to other laborers working for one dollar and twenty-five cents a day. It is just as plain that, other things being equal, ten men will do a given job for less pay each than five men, as it is that ten men can do it *easier* than five.

"Where land is subject to ownership and rent arises, wages will be fixed by what labor can secure from the highest natural opportunities open to it, without the payment of rent." (P. 192.)

But, "where land *is* subject to ownership," what "natural opportunities *are* open to labor without payment of rent"? Suppose there are unappropriated natural opportunities, and labor does not choose to avail itself of them; is labor therefore at an end, and wages canceled altogether for want of "a margin" to fix them? The answer to this question is alone sufficient to show that *free, natural opportunities*, are not the sole factor in the determination of wages. But, Mr. George will say, that labor *will* choose on the "principle of least exertion." But we shall discover before we get through with Mr. George's book that there are cases too numerous to mention in which the "law of least exertion" don't count. And very likely this is one of them.

"The most ignorant and stupid of the placer miners of early California, knew that as the placers gave out or were monopolized, wages must fall." (P. 193.)

Coincident with this "giving out" of the placers, and this "monopoly," was a vast influx of population, and a great development of capital — though relatively less than the population — largely invested in machinery — the population

and machinery both tending to reduce wages ; while the immense wealth, seeking investment, and better security, sent down the rate of interest. Unless Mr. George can show that these elements are to be excluded, as inoperative in this example, he will be suspected of claiming too much for the monopoly of land and the "Law of Rent."

Besides, to get at the bottom of the matter, why came the monopoly about? Simply because the empty hand could not compete with the hand that had a tool in it. The thrifty laborer saved something (whether in California or elsewhere, makes no difference) wherewith to purchase an advantage, an entering-wedge to a whole line of advantages, ultimating in monopoly, perhaps, as against those who spent or gambled as fast as they dug or gained. The advent of the tool, is the sign of capital—whether it be a pick, pan, trough or steam-crusher. The man who can buy the machine and the placer can "fix the wages" of him who cannot buy the machine—placer or no placer ; for with the advantage of his machine (capital) he can afford to pay him, the laborer, more than he can dig, and so, in time get, perhaps, the other placer, too ; and then, with a constantly accelerating velocity, another—being now well

on the road to monopoly. That is the way it begun and went on between the thrifty and unthrifty; and that is the way it would begin and go on again, were all monopolies crushed out, and the game of life, from the primitive root-digger to the nineteenth century, to be played over again.

"One man will not work for another for less than his labor will really yield, when he can go upon the next quarter section and take up a farm for himself." (P. 194.)

Plausible as this seems, the fallacy appears as soon as we recall the fact, that there can be nothing to hinder a man from going upon the "next quarter section," till the landowner has bought up "all that joins him." The world is wide yet, and many a virgin quarter section is waiting the squatter and the plow, merely because men have higher needs than roots and nuts, locusts and wild honey.

There is many a laborer who can, under supervision, (hire,) support himself and family, and still yield a profit, (return for the supervision,) to his employer, who could not or would not dig his bare subsistence out of half-a-dozen free quarter sections.

"The line of rent is the necessary measure of the line of wages." (P. 193.)

This, of course, on the theory of a dual divi-

sion of the products of labor, (p. 183,) and of the identity of labor and capital. (P. 179.)

Mr. George is astonished that the "great thinkers" stumbled over the "law of wages" "over and over again, without once recognizing it." "Yet, if it were a dog it would bite them."

They saw that, perhaps, as well as Mr. George, and something more, better than he. Possibly it was because they were not "bitten" that they did not have rent-phobia. Indeed, it is quite easy to agree with Mr. George, that it is difficult to resist the impression that some of them, (if not all,) really "apprehended," and fully comprehended the "law of wages," and *quite* as clearly enunciated and "elucidated" it as Mr. George has done.

"If with an increase of production, the laborer gets no more and the capitalist gets no more, it is a necessary inference that the land-owner reaps the whole gain." (P. 199.)

But, if the capitalist *does* get more—if, in fact, he unites with the landowner to fleece the laborer and divide the spoil, too literally leaving the laborer "out in the cold and wet"—how is it then? Why, simply a "dual distribution"; not, however, as previously demonstrated, between wages and rent, but between capital and rent, the capitalist and landholder. Mr. George says, however, that "the inference is, that the

landowner reaps the whole gain," and also that "the facts agree with the inference." (P. 199.) That is, the landowner gets it all—the laborer and the capitalist nothing. Henceforth, the poor, oppressed and impecunious capitalist will have the sympathy of his fellow-sufferer, the ill-fed, ill-clad and ill-housed laborer. "The cause which gives to the landholder is the cause which denies to the laborer and capitalist;" (p. 199;) and one has only to look into the care-worn, gaunt and haggard visages and the wretched hovels of the spoliated capitalist, to see to what a pitiful pass of destitution he has been brought! Under the spell of Mr. George's new gospel of political economy, behold into what a thing of skin and bone, and "looped raggedness," this stricken starveling, this "living dead man," the "bloated bondholder" is transformed! We mistook his person all this while. We took him "for a good and portly man, i' faith, and a corpulent," but our "eyes were made the fools of the other senses." When we see another man whom "sighing and grief have blown up like a bladder," we shall not be deceived by appearances, but know at once that he is a moneyless, lean and hungry capitalist. To dispel such a delusion, it was worth while to "re-cast a large and most import-

ant part of the science of political economy," as Mr. George boasts to have done. (P. 196.)
"Much good dich thy good heart Apemantus!"

"Wherever the value of land is relatively low, wages and interest are relatively high;—whenever land is relatively high, wages and interest are relatively low."

The real import of this profound deliverance, is this: Whenever the price of putty is higher than the price of cheese, the price of cheese is lower than the price of putty; and whenever the price of cheese is higher than the price of putty, the price of putty is lower than the price of cheese—that is to say, one leg is longer than the other, or else one leg is shorter than the other.

"All production is still the union of the two factors, land and labor." (P. 200.)

No farther back than on the preceding page, we are told, with the emphasis of a special paragraph, that:

"Three things unite to production—labor, capital and land."

Labor, capital and land produces, but ravening "rent [p. 201] swallows up the whole gain, and pauperism accompanies progress," engulfing the weary laborer and the seedy, starving capitalist in its merciless maw. Right here Mr. George tells us, that "it is unneces-

sary to allude to facts."—(And we might add—dangerous, too.) Nevertheless, he mentions one, a very large one :

"It is the universal fact, that where the value of land is highest, civilization exhibits the greatest luxury side by side with the most piteous destitution."

This is, undoubtedly, true, but to give it its proper bearing upon Mr. George's theory, he should have added, "of the laborer *and the capitalist*." The abject destitution of the capitalist is so conspicuous a fact that one may well wonder that Mr. George did not notice it. Or, perhaps he did, and for the very reason of its conspicuousness, thought it "unnecessary to allude to it." Further on, it will be seen how this fact of side-by-side luxury and destitution are the result of Mr. George's most-cherished human rights.

CHAPTER VII.

MALTHUS AGAIN.

ON pages 206, 211, 220, Mr. George virtually concedes all that is claimed for the Malthusian doctrine of "pressure of population." If increase of population increases rent, and so decreases wages, it is quite immaterial whether the evils that troop with low wages come directly from "pressure against subsistence," or from boosting up production, provided that it wrest it from the mouth of the laborer and put it into the lap of the landlord. Whether the pressure be direct or indirect, the effect is all the same upon the starving laborer. So long as the evil comes from increase of population, the interposition of a few high-sounding words in the formulation of the theory, or of another link in the chain of causation, makes little or no difference in the essential fact.

There is also a fallacy in Mr. George's argument to show that increase of population in-

creases productive power faster than the population. The labor of one hundred men, he says, will produce more than one hundred times one man. (P. 208.)

True, but the necessities (wants) of one hundred men are more than the wants of one hundred times one man. And the question is, whether relative to *these*—the wants—productive power keeps pace with the normal increase of population. Here again we cite Mr. George against himself:

"Now, in a state of society in which the existing power of labor seemed to satisfy all material desires, and there was no possibility of new desires being called forth by the opportunity of gratifying them, the effect of labor-saving improvements would be simply to reduce the amount of labor expended. But such a state of society, if it can anywhere be found (which I do not believe) exists only where the human most nearly approaches the animal. In the state of society called civilized, and which in this inquiry we are concerned with, the very reverse is the case. *Demand is not a fixed quantity, that increases only as population increases.* In each individual it rises with *his* power of getting the things demanded. Man is not an ox, who, when he has eaten his fill, lies down to chew the cud; he is the daughter [*sic!*] of the horse-leach, who constantly asks for more. . . . *The amount of wealth produced is nowhere commensurate with the desire for wealth, and desire mounts with [sometimes in advance of] every additional opportunity for gratification.*" (Pp. 220, 221.)*

It is unfortunate for Mr. George, that, to the

* We have italicized the passages to which the reader's attention is cordially invited.

success of one argument, he is often compelled to knock down what he has set up in support of another.

Beginning on page 212, and running to page 217, Mr. George, with a graphic pen, draws a vivid, truthful and beautiful picture of the growth of a town from a single squatter, up to a St. Louis, Chicago, or San Francisco, filled with all the appliances of art, industry, science, philosophy, of social and religious life—in short, all the varied products and blessings of the highest known civilization.

One comment on this is, that “rent” did not put them there: Wages did not put them there. What then did, if not capital? All these things stand for the products of labor, that went neither to rent nor wages. If all the produce of labor is, on just principles, the wages of labor, then it may do to call these things, (if they must needs be christened,) “stored-up wages,” but not “stored-up labor.” And it may be a robbery of labor, a perversion of wages, to store them up in this way, but without that perversion where would these things be? If they be not desirable, they are to be deprecated, and ought to be abolished; and such evils as inhere in them would be abolished with them. If they be desirable, the inherent evils must be en-

dured—the incidental, not consequent, evils must be eliminated and banished by themselves. That is *the* problem. Mr. George's task is to show that the solution lies in the abolition of private ownership in land. In the end we shall see. Our object here has been to draw, from the finest passages in Mr. George's book, an illustration of the "functions of capital," in which, perhaps, even the plundered laborer can find some comfort.

In speaking of the "increased productiveness which increased population gives to land," as Mr. George does on page 218, it seems like confounding the productiveness of land with that of capital. The produce of land, consists of its agricultural and mineral returns to labor. If it have any value supplementary to this, that value is conferred by capital, and inheres in the buildings, machinery, etc., resting on it, and without which the land would continually decrease rather than increase in value. Without these, its value would be determined by the price of grain and garden-sauce, of which it would yield less and less each succeeding year, but for the restorative efficacy of capital. This, however, is not Mr. George's view. He says (p. 217) that

—"they [the buildings, machinery, etc.] are not worth as much as the land upon which they rest—the same land,

in nothing changed, which when our first settler came upon it had no value at all."

If it had no value then, it is not easy to see what "worth" it can have now, apart from that which has been or may be added to it by the hand of man. And the hand that put the value there has a lawful hold upon it. It is his property, on Mr. George's own theory. An acre of land, as *land*, in the heart of New York, London or San Francisco, is worth no more than a potato-patch of equal area, at convenient distance anywhere else.

For "increase of population," as used on this page, (p. 218,) substitute "demand," and you get nearer the truth. There might be increase of population, *ad infinitum*, in the nut-eating, root-digging state of human existence, but for the increase of wants, and "demand," without adding a farthing to the value of land. (See pp. 20, 21, 22.)

"It is a well-provisioned ship, this on which we sail through space. If the bread and beef above decks seem to grow scarce, we but open a hatch and there is a new supply, of which before we never dreamed. And very great command over the services of others comes to those who, as the hatches are opened are permitted, to say, 'This is mine!'" (P. 218.)

And Mr. George seems to forget that "This is mine" is precisely the "command" that Capital always gives, and that, without it, his "well-

provisioned ship" would be an empty, water-logged hulk, without mast, rudder, chart or compass.

On page 220 is this passage :

"If it can now be shown that, irrespective of the increase of population, the effect of improvements in methods of production and exchange is to increase rent, the disproof of the Malthusian theory—and of all the doctrines derived from or related to it—will be final and complete, for we shall have accounted for the tendency of material progress to lower wages and depress the condition of the lowest class, without recourse to the theory of increasing pressure against the means of subsistence."

The *force* of this as an argument *against* Malthus will astonish the reader when he recalls to mind what we have elsewhere shown, that "increase of population" (laborers) and "increase of labor-saving machines"—"improvements in methods of productions"—are exact equivalents in their relation to wages. As to the effect upon the rate of wages, a hundred-handed machine is equal to fifty workingmen. So that Mr. George has undertaken the stupendous task of proving that identical propositions mean the same thing. Granting him all the success he has a right to expect, he will still have to show how it *refutes* the Malthusian doctrine, that "increase of laborers tends to lower wages."*

* It is a little remarkable that, with Mr. George's proclivity for resolving apparent diversity into identity, it has

But, waiving all this, the argument is still more remarkable for its method. He tells us, that if he can show that something besides increase of population tends to lessen the wages of the laborer, then increase of population does *not* tend to lessen wages. Having found a cause adequate to a given effect, it excludes all other causes. Let it once be shown that irrespective of strychnine or arsenic, men have been killed by prussic acid, and the proof "will be final and complete" that men cannot be killed by strychnine or arsenic. Let it once be shown that a protective tariff tends to "depress the condition of the lowest class," and as we have thus accounted for the depression of the the lowest class "without recourse to the

never occurred to him, that, crowding against subsistence, and crowding against wages, are only "different forms of one and the same thing." The more especially as he comes so near to it, as to use the very words, "means of subsistence," without intending, however, to include the "means" of getting subsistence. While men buy meat with wages; while wages are a factor in the social economy, scarcity of wages stands for scarcity of meat. Drop out the element of wages and you have a short cut to the meat-market, provided there be any meat-market left for the accommodation of men or women without wages! But, then there is ground, roots, and berries, oyster-rocks and sharpened sticks, primitive simplicity, caves, countless acres, nomadism, barbarism, savagedom, with the still unimpaired privilege of the "infinitely better choice" of "the lot of the savage," with "his sense of personal freedom," (p. 257,) all of which are the alternative of wages and Malthus.

theory" of rent, all Mr. George's work is in vain, for without his theory of rent his book is as nothing. That is Mr. George's logic. How would he like to have the chalice commended to his own lips?

Following up this same *ignis fatuus*, Mr. George says, on page 251 :

"It is important that this [namely, that "the ultimate effect of labor-saving machinery or improvements is to increase rent without increasing wages or interest"] be fully understood, for it shows that the effects attributed by current theories to increase of population are really due to the progress of invention, and explains the otherwise perplexing fact, that labor-saving machinery everywhere fails to benefit laborers."

Now, reconstructing this passage in the light of what has just been indicated, namely, that political economists use the word "population" as denoting laborers, as well as consumers, and that to increase their number tends to diminish their wages ; and that "progress of invention—the introduction of "labor-saving machines"—that the machine which does the work of one hundred men, is virtually "increase of population" to that extent, as bearing upon wages—reconstructing, we say, the above passage in the light of these truths, we have the following edifying result :

"It is important that this be fully understood, for it shows that the effects attributed by current theories to in-

crease of population are really due to *increase of population*, and explains the otherwise perplexing fact, that labor-saving machinery [=increase of population] everywhere fails to benefit laborers"—i. e., to raise their wages. (See page 126 for further confirmation.)

It is a law in Political Economy, according to Mr. George, that "labor-saving machines" tend to lower wages; yet it is a "perplexing fact," to Mr. George, that they do not *raise* them! It is a law (of gravitation) that all bodies tend to fall to the earth, yet it is a perplexing fact, to men of Mr. George's mode of reasoning, that they do not rise from the earth.

We take it for granted that, by "failing to benefit laborers," he means failing to increase their wages, for, that he does not deny, that all the members of a community are, on the average, the better off for machinery, is obvious from the whole tenor of his matter on pages 213-215.

Mr. George even imagines a state of perfection in "labor-saving inventions," that might do away "entirely" with "the necessity of labor in the production of wealth," annihilating wages and interest altogether; (p. 227;) so that "there would be no use for either labor or capital, and no possible way in which either could compel any share of the wealth produced."

But let us ask Mr. George, if this perfected machinery, which thus supplants all labor, and, conjointly with land, produces all wealth—if this very machinery is not itself “capital”—wealth “used for the procurement of more wealth”—(p. 71,) and that “instead of their being ‘no use’” for it, there is the highest-possible necessity for its use to the landowner and all the rest, since it is the sole productive factor left to natural opportunities? Mr. George’s reiterated definitions have wholly cut him off from denying to this machinery the highest and perfect attribute of capital. And since he has so thoroughly identified labor and capital he must concede that in this imaginarily-attained perfection of invention, (capital,) labor itself has achieved its grandest triumph, wrought its own emancipation, when there will be no more “wearying strain of the muscles”—nothing but head work, and every “idle man’s brain a devil’s work shop”; the true millennium for Mr. George, since he looks upon labor as “the primeval curse.” (P. 257.)

But now, (p. 238,) it is no longer the fact that labor and capital are the same thing. It is, henceforth, always labor *and* capital.

And though Mr. George never tires of talking about the rapacity of rent, of its continually

"compelling labor and capital to accept a smaller return," (p. 238,) he nowhere shows us how capital is the sufferer by it ; while the wretchedness of the laborer is everywhere palpable, leaving it still apparent that rent *and* capital are the upper and nether millstones, between which the laborer is ground to powder. That increase of rent tends to lower wages, we did not have to wait the publication of Mr. George's book to learn. That it would disastrously diminish the return to capital we now, for the first time, hear, and, if "interest proper," as Mr. George assumes, were the sole return to capital, would seem to be true.

But the simple fact that, while labor is constantly getting paler, more haggard and gaunt, capital waxes fatter and kicks harder, shows that Mr. George has missed the logic of the facts, and entirely failed to touch the bottom of the difficulty. And since there is no cause which tends so directly and inevitably to "lower the margin of cultivation" and raise rent, as increase of population, operating back of any agency which Mr. George recognizes, relegating the problem back to the flouted-at principle of "demand and supply," it is plainly to be seen that the doctrine of Malthus, which Mr. George boasts of having completely overthrown, is more firmly established than ever.

Were there no people, there would be no use for land—no rent. The *more* people, the more demand for the fruits of the ground; and the greater the demand, the higher the price, and the greater the rent which goes to the owner of the land. Ownership is the most powerful of incentives to that measure of effort which looks forward to profits. Without profits, (something more produced than the producer consumes,) there can be no wealth. Without wealth, no civilization—no truly human society—no social life—nothing but barbarism. If there be no remedy for pauperism but return to barbarism, the world will say, notwithstanding Mr. George's *quasi* eulogium of it, that the cure is worse than the disease.

Great writers should have good memories. On pages 33, 34, Mr. George says :

"The term labor includes all human exertion, and hence human powers can never be properly classed as capital."

To speak of "knowledge, skill, or industry" (labor?) as "constituting capital," is to speak "metaphorically," a "use of language that must be eschewed in reasoning that aims at exactness." The increased production that comes from superiority in any of these respects is "due to the increased power of labor and not to capital." "Weight is one thing and velocity

another." Thus sharply is the line drawn between labor and capital.

How long Mr. George was on his way, from page 34 to page 147, does not appear, but it was long enough to permit him to forget all this, and there to tell us, that capital is only a form of labor; and on page 179, to reiterate it with greater precision and force: "For labor and capital are but different forms of the same thing—human exertion"—the very thing that he has most positively assured us could not be classed as capital. Capital "is in fact but labor impressed on matter—labor stored up in matter." Even "the use of capital in production is but a mode of labor." "Its use is the expenditure of labor." And again on page 183: "Capital is but a form of labor, and its distinction from labor is in reality but a subdivision, just as the division of labor into skilled and unskilled would be."

Upon which of these two stools does Mr. George "propose" to sit hereafter, while contemplating the blunders and inconsistencies of "the great thinkers"? Or will he permit his readers to conclude that between them, the "new political economy" comes to the ground?

CHAPTER VIII.

REFLECTIONS.

LABOR, capital and land are the economical factors of social life and progress. They are not antagonistic elements, but coöperative and interdependent. We find nothing in Mr. George's book to shake our conviction that, not to the abolition, but to the regulation of ownership, must we look for the cure of any evil that springs from poverty. * Yet precisely

* Should we say, the cure of poverty itself? May we ever hope for that? Is not that, in the very nature and constitution of things, inevitable? Are there no pre-natal deformities as well as post-natal adversities? And is not thrift, and diligence, and every natural gift, to have its just reward? And did not He, of whom Dr. McGlynn, by open profession, and Henry George, by witness of Dr. McGlynn, are "humble followers," speak these words: "For the poor always ye have with you"? And is there not the clearest recognition of the law of heredity in the story of His nativity? And was not the pre-natal impress of divinity mightier than the "environment" of oxen and asses and the odor of a stable? And are not tramps, and paupers *born* as well as poets and princes? Who is the pauper? What is "poor"? Whether it be a myth or a fact, that John Jacob

as human power is limited, so is honest ownership limited. And honest ownership means property honestly obtained. All true title-deeds are derived from labor. The sword confers no rights, though it may rightly maintain them. The laborer owns the produce of his toil. To withhold it is to withhold his right. But the product of his toil may be only a share of what he digs. That is his—to consume or save; to sell or give away, as he lists. If saved, it becomes possible capital. If used to obtain more produce, is capital, and he a capitalist; and the capitalist owns his savings as truly as the laborer owns his hands. If he use his savings to purchase land of him who has a right to sell; or if

Astor, with his \$70,000,000, said to his whilom friend of \$10,000,000, that he "was as well off as a rich man," he might have said it consistently with his fame for practical wisdom. Not to have an unsatisfied want, or a hopeless aspiration—is not that to be rich? *Est pauperis numerare pecus.* Is it the purpose of the "Anti-poverty Society" to revise the law of heredity, and "change the stamp of Nature"? Is it to invent, or contrive some kind of magical cupping-glass by which to draw out of the human body all the bad blood of predestinate "cussedness" and laziness, and the law of least exertion? To relieve the distresses of poverty is one thing; to abolish it is another. And the most insurmountable obstacles to either, are two of Mr. George's fundamental principles—the law of least exertion and the reward of merit. Until this be done, these "humble followers" will have to accept, as the inspiration of a deeper insight and a higher wisdom than theirs, these possibly-not-wholly-unwelcome words: "For the poor shall not cease out of the land."

he "stakes out" the land where there is no one to dispute his right, he becomes a landlord, and owns the land. That there can be no necessary antagonism between these three elements is seen in the fact that the laborer, the landlord and the capitalist, are often all united in one person, and that by their nature they are reciprocal helps; and that their nature must remain the same, whether united in one person or represented by a thousand. The man who digs his own roots on his own ground, with his own tools, owns them all. He will never cease to dig for himself, and work for another, unless he expects to be the gainer by it. For this privilege of a possible gain, he pays a stipend, a fraction of what he produces, to the capitalist, not to the landlord. The remainder is his wages. To this he has a perfect right; this is, for him, the real product of his labor. The capitalist has a perfect right to his profit; the landlord has a perfect right to his rent; each to what he can honestly get, and no more—not a stiver. And it is the first duty of the State to see to it, that he gets this. It is the second duty of the State to see to it that he gets no more; and it is the third duty of the State to take it from him if he does get more. It is the duty of every man in the state to see to it,

that it be taken from him, and restored to whom it is due. There is wrong and injustice to all the rest, till that be done. To this end are laws, courts, governments, instituted. When they neglect to do that they are a failure, a fraud, a crime, and a curse, and cannot be got rid of too soon — nor too roughly. To make such a government as that, requires an honest people. Till there be an honest people, no such government is to be had. Nor will an honest people let any other kind of government stand one single hour. If the laws are unjust, the people made them so; if rascals sit in the seats of justice, the people put them there; if the Government is corrupt, the people made it so. "When scoundrels go in procession, the devil carries the cross." If liars, thieves, swindlers, embezzlers, peculators, bribe-takers, robbers, drunkards fill your magisterial chairs and legislative halls, the people put them there; if the people of this country to-day are gathering a harvest of fraud, falsehood, wrong, injustice, vice, crime, poverty and misery, they have nobody to thank but themselves, for they are reaping just as they have sown. Until the people can get its conscience back and make some just pretention to common honesty in its daily life, all its complaints and stopping-of-the-nose at

the general rottenness, is but self-reproach. Let the people make itself honest, let it show that it can as soon touch its cap to the honest hodman as to the wealthy villain; that it hates wrong and loves right, and all the rest will follow as the night the day. It is vain to try to blink the fact that the general indifference to wrong and injustice—in a word, that the blunted moral sense—the torpid conscience—of the people is responsible for the demoralized condition and consequent miseries of the people, and is the root to which the axe must be laid.

So far as this nation is in the gall of bitterness so far is it in the sink of iniquity.

The only reason why scoundrels stride the world is, because there are not honest men enough to put them down. Men seek popular homage, well knowing that the successful rascal commands it. You, patient or impatient toiler, complain of the insolent airs and assumptions of the rich; yet, it is you, and you alone, who fill ~~their~~ chests with gold and their hearts with pride. He tramples on you because you fawn upon him and crawl at his feet. You give to his purse the homage due to worth alone. You have pusillanimously connived at the wrong to others, that comes to you in turn. Go, purge your own heart; wash, and come into court

with clean hands, and you will get a righteous judgment. This is a hard thing to do? May be; but the way of the transgressor is harder. Hard or not, it is the thing above all others that most needs be done—that *must* be done. Until it be done, there is no hope. If the people *cannot* get itself purged and purified—if it *cannot* cease to be a thing for Heaven to stop the nose at; it must seethe on in its own foulness till a flood from heaven, or blasts from hell, shall sweep it from the face of the earth.

“Figs do not grow upon thistles; and if the devil be at the head of a people it is simply because the people are devilish.” (Henry Bergh, *Scribner's*, April, 1879.)

CHAPTER IX.

DIVERS INSTANCES.

Here is another sample brick of Mr. George's logic, taken from pages 240, 241, though one should read a little before and after to fully appreciate it :

"For while the great masses of men want more wealth than they can get, and while they are willing to give for it that which is the basis and raw material of wealth—their labor—how can there be over-production? When with the desire to consume more, there exists the ability and willingness to produce more, industrial and commercial paralysis cannot be charged either to over-production or to over-consumption."

Whether Mr. George wilfully or ignorantly confounds "demand" with "desire"—the effect is the same upon his argument.

There is some difference between the "desire to consume more" and the ability to get more. Demand, in its politico-economic sense, means desire backed by the purpose and power to purchase. Nor does it require the genius of a Plato, a Bacon or an Adam Smith, to perceive

that by "over-production" is not meant more than men want but more than they are able to sell or to buy. But for this distinction, you could never "point to warehouses filled with goods that cannot be sold," to "mills closed," "mines shut down" or "steamers tied up." The term "over-production" points to the producer—not to the would-be buyer, as Mr. George seems to see it. When the manufacturer makes more than he can sell—more than for which there is "effective demand"—that is over-production, though it may not be a tithe of what the people want. Nor is it an insignificant feature of the phenomenon that the very efficiency of labor, which the machine confers, to multiply commodities and glut the market, re-acts to lessen the return to the laborer's ~~the~~ (the would-be buyer's) pocket.

Mr. George says, on page 241, that speculations which greatly carry up land values are, or

—"have been invariably followed by a partial cessation of production, and its correlative, a cessation of effective demand (dull trade), generally accompanied by a commercial crash."

And a little further on :

"Periods of industrial activity, always culminate in a speculative advance of land values, followed by symptoms of checked productions, generally shown at first by cessation of demand from the newer countries, where the advance in land values has been greatest."

Is not this putting the cart before the horse?

What are the "symptoms of checked productions"? Is "cessation of demand" a "symptom"? Which generally goes before, "cessation of production" or "cessation of demand"? Will production cease so long as "effective demand" continues? But why "*effective*"? Is there any other kind of demand, economically speaking?

Mr. George seems to have a knack at selecting words which both misstate the fact, and divert attention from the lurking fallacy. Or is it slovenliness of style that makes him say: "The cessation of demand . . . which *marks* the depression of trade," (p. 242,) when it is the immediate *cause* of the depression of trade? Is "cessation of demand" a *symptom* of "checked production," and a "mark" of "the depression of trade?" And, by the "cessation in the supply of other commodities" is meant only the non-convertibility of "other commodities" into *purchasing* power, which is the cause of the cessation of demand, *followed*, not preceded, as Mr. George would have us think, by cessation of production.

"Dealers find their sales declining, and manufacturers find orders falling off, "notwithstanding" a wide-spread desire (which, with Mr.

George, seems to be a kind of "demand," of an "ineffective" sort, however,) for "the things which they have to sell, or stand ready to make." And which they can neither sell nor will make. Why? Because nobody demands them? Or, because production is checked?

The "warehouses are full" of everything necessary to meet the "wide-spread desire," but the wherewithal to buy—the purchasing power—is a "commodity" that the would-be buyer cannot just now lay his hand on, because there has been "a diminution of production" of *that* article. "This is seen very clearly," Mr. George tells us, with astonishing naïvete, "by storekeepers in a manufacturing town where the mills are shut down and operatives thrown out of work. It is the cessation of production," he continues, "which deprives the operatives of the means to make the purchases they desire."

The demand for the storekeeper's "superabundant stock" ceases because the shut-down mill has ceased to furnish the operatives with the "commodities," or money with which to buy them. In the face of a superabundant stock the operatives cease to buy, *because* the mills cease to produce more wages. Can any sequence be plainer?

But Mr. George omits to tell us *why* the mills shut down. Possibly he forgot it—possibly it was going a little too far back for his purpose. Yet the question will come up, Would the miller have shut down if the wanted orders had kept coming in—if the demand had not stopped? And why do the orders “fall off”? Because there is any less purchasing power in the world? No, but because the purchasing power does not happen to be in the hands of the men who want the goods. The rich are supplied, and the poor cannot buy. “People want the things . . . but they do not have as much to give for them.” Precisely so. The orders fall off—the stock is not sold—the mill shuts down, not to start again till the “demand” revives.

In this same connection we are told that trade consists in exchange of commodities, and that dullness in trade arises not from scarcity of money but from want of other commodities. Although the warehouses are full of them. Ah! but they are not of the kind that the would-be buyer can turn into money, nor does that kind happen to be in the would-be buyer's hand. Nor does Mr. George condescend to tell us what that kind is. There is no lack of money—but there is a certain, undefined commodity somehow wanting, which, if the would-

be buyer could get at, and then sell, he could turn ~~it~~ into money with which he could buy some of the commodities of which the warehouses are full. "What the would-be buyers really lack is not money, but commodities which they can turn into money." (P. 242.) And yet we know that sometimes—in hard times—people have neither the commodities nor the money with which to buy them; and that sometimes when they have plenty of commodities they cannot turn them into money; but never a time when people who have plenty of money cannot turn it into commodities. What sense is there, then, in saying, that "money is not what they lack"? An overweening ambition to appear profound—to outstrip the "great thinkers," in his "final analysis," leads Mr. George into many pitfalls of absurdity, which nowhere more abound than in his chapter on the "Cause of Industrial Depression."

Here we have it again, on page 243: "Cessation of supply becoming failure of demand." As if by dint of a perpetual dropping we were to be wearied into accepting as true what we know to be false. While it is impossible not to see, that, with productive power and material intact, there can be no failure of supply till there be

failure of demand, Mr. George still persists in inverting the order and taking the effect for the cause. Retiring from the field of exchange the means of purchase, is no mark of a previous cessation of production, though that will likely soon follow. Every member of a community may have, to-day, as much ability to purchase as he had yesterday, and yet, from prudential motives, refrain from using it; thus suddenly stopping the demand while all the wheels of production are in full motion; but which soon thereafter stop, as assuredly as the saw will stop if the dust be not removed.

There is a "some-sort" of a "check in production," (p. 242,) "somehow," (p. 244.) "somewhere (it may be at the other end of the world)." "That demand is lessened without want being satisfied, shows that production is *somewhere* checked." (P. 242.) It may be a shrewd trick, in Mr. George, to send us "to the world's end," "to the antipodes," "to the farthest inch of Asia," to find this missing link in the series of checks to be a "checked production"; but it is a trick only, after all; For, when we get there we shall unquestionably find, that the cessation of production of the lacking "commodity" was the result of a lack of demand for it. And we can assure him that

though this slipshod logic of "somesorts," "somehows" and "somewheres," may suffice for him, it will not suffice for all his readers.

"We talk about the want of work ; but evidently it is not work that is short while want continues ; evidently the supply of labor cannot be too great, nor the demand for labor too small, when people suffer for the lack of things that labor produces. The real trouble must be that supply is somehow prevented from satisfying demand, that somewhere there is an obstacle which prevents labor from producing the things that laborers want." (P. 241.)

Even though the market be stocked—the "warehouses" crammed with them!

There is no want of work—"evidently"! quoth-a. When five hundred or ten thousand men are thrown out of employment, (work,) it is not for the lack of work. There is plenty of that lying round loose "somewhere"—almost anywhere. Work is not "short." It is the laborer's arm that is *short*, too short to reach beyond the "obstacle," mark you, "the obstacle which prevents labor [not from working, 'evidently,' but] from producing the things that laborers want"!

"These vast masses of unemployed men" do not "want work"; they only want "the things that laborers want," and are lying round idle "for the fun of it." They just *fancy* that they are thrown out of work—that "work is

short." They are simply oblivious to the fact that "somewhere there is an obstacle": "Only this, and nothing more." There is no "want of work," all this while; "nor is the demand for labor too small." But "somehow" they can't get at each other, on account of the "obstacle." "Here lies the water, good, here stands the man, good: If the man go to this water, and drown himself, it is, will he, nill he, he goes; mark you that: but if the water come to him, and drown him, he drowns not himself: Argal, he, that is not guilty of his own death shortens not his own life."

Men are not thrown out of work, but only out of the mills and shops, and are denied "access" to work—of which there is—so long as men's wants are unsatisfied—"no want." The difference is patent to the fleetest glance, and is like that between dying from starvation and perishing for want of food.

As a sample of Mr. George's logic, and to show that we have dealt fairly with it, we give the context: (pp. 243, 244:)

"We talk about the supply of labor and the demand for labor, but, evidently, these are only relative terms. The supply of labor is everywhere the same—two hands always come into the world with one mouth, twenty-one boys to every twenty girls, and the demand for labor must always exist as long as men want things which labor alone can produce. We talk about the "want of work," but, evidently,

it is not work that is short while want continues ; evidently, the supply of labor cannot be too great, nor the demand for labor too small, when people suffer for the lack of things that labor produces. The real trouble must be that supply is somehow prevented from satisfying demand, that somewhere there is an obstacle which prevents labor from producing the things that laborers want."

"Take the case of any one of these vast masses of unemployed men, of whom, though he never heard of Malthus, it to-day seems that there are too many people in the world. In his own wants, in the needs of his anxious wife, in the demands of his half-cared-for, perhaps even hungry and shivering children, there is demand enough for labor, Heaven knows!" (Pp. 243, 244.)

Is it not a little singular that a man who dives so much deeper, sees so much clearer, cuts so much cleaner, and spins so much finer than Adam Smith, Ricardo, Mill and others of that ilk, should fail to distinguish the difference between demand for labor and demand for work—between a laborer seeking an employer and an employer seeking a laborer? Mr. George uses a word in one sense when it can possibly serve his purpose only by being taken in another. Five hundred pairs of empty hands clamoring for work and bread is not a spectacle to illustrate what Political Economy calls a demand for labor. If there were the demand for labor in the sense in which Mr. George would have you understand it—yet not in the sense in which he uses it—the five hundred pairs of empty hands would be set to work, and the clamoring mouths stopped with bread, "Heaven knows!"

So Mr. George equally confounds "want" of the products of industry, (p. 244,) or the need of them, with "demand" for them, while the term "demand for production" means want accompanied with the ability and purpose to take—"effective demand," as Mr. George himself calls it in several places. (Pp. 242-246.)

Read pages 250 to 253 to see what a long way about the exigencies of Mr. George's theory compel him to go to fetch a reason, and a mere "fetch" at that, while the true one lies under his nose. He puts a girdle round about the whole globe of exchanges, and goes to the end of the earth—or rather, sends his reader there—to find proof of the assertion that dull times are not initiated by lack of "demand" but by lack of production. "Somehow" he seems to have taken "some sort" of a miff at the word (demand) and means to scout it altogether. But we still think that, *with* it, the current theory makes the better case. Let us see:

Lured by a prospective rise in values, the speculator makes his investments—sometimes staking all he has and all he can borrow. He sets his selling mark so high, and holds on so hard and long, that the would-be/buyer wearies out and turns back. Now the speculator has come to the end of his rope—he must take his

turn and wait, when he expected to sell and reap. Interest and numerous bills are due, but his only answer to drafts is: "No funds." His falling brick hits the next, and so the tumble goes the length of the line.

It is only the crash of a plank, but the panic is the same as if it had been the fall of a gallery. The disappointed speculator has nothing with which to pay for the fine things which he meant to get and which the manufacturer expected him to buy, and so the "demand" ceases. The warehouses groan with their uncalled-for stores, perishing for the want of a buyer, and the advances of the manufacturer are swamped, too, and so the tide moves on.

The commodities are there in plenty, and — "the people want the things the manufacturer makes [or has made?] as much as ever, just as the operatives want the things the storekeeper has to sell. "*But they do not have as much [what?] to give for them.*" (Pp. 242, 243.)

Production has *somewhere* been checked, says Mr. George, and "propagating itself through the whole framework of industry" shows itself here in the form of "cessation of demand."

"This check to production beginning at the basis [wherever that is] of interlaced industry, propagates itself from exchange point to exchange point, cessation of supply becoming failure of demand, until, so to speak, the whole machine is thrown out of gear, and the spectacle is everywhere presented of labor going to waste while laborers suffer from want."

Which they certainly would not do if they could "produce" the buying power. It is the "production" of cash that is "checked" with them—preceded by a check in the "demand" for their labor—because that had been preceded by a check in the *demand* for the things which their labor produced. It is that, not the "lack of production," that stops the wheels of industry, (production,) shuts up the shops, and closes the mills and turns the operatives out to starve.

Mr. George is never more unreliable than when he is most positive—and never more positive than when his argument is weakest.

"When we speak of labor creating wealth," he says, (p. 245,) "we speak metaphorically." Man creates nothing—not the "tiniest mote" or "atom."

We grant the mote or atom, but traverse the wealth. If the raw material, the "preëxisting matter," acquires, from the touch of the human hand, a value that neither had apart; if, by his labor, man "impresses on matter the character of wealth; (p. 167;) if capital, which is a part of wealth, be nothing "but labor impressed upon matter," (p. 179,) then "man creates" that value—and that value is wealth. We have Mr. George's authority for it, that land is not wealth.

The human hand is not wealth. But the hand moulds the matter, and smites the rock, and lo ! the wealth of the world. There lies the ore, here stands the man — yet there is no wealth. But let the man go to the ore, or let the ore come to the man, and he “fashions” it into wealth. The fashioning is the cause of the wealth. And that is the work of the man. So man is the creator of the wealth which is neither “motes” nor “atoms.” Again, if Mr. George will consult the dictionary, he will find authority for this use of the word. But not in his sense — will he say? So much the worse for it, since then it has no place in a treatise on Political Economy, however suited to chemistry or natural philosophy. It is of little consequence, anyway ; save as an illustration of Mr. George’s slatternly way of thinking, and writing.

Where men ordinarily would say that they “cannot find work,” Mr. George would say they “cannot find opportunity.” (P. 245.) And much of his argument turns on the difference — whatever that is — between shutting labor out of work and shutting work out of labor. (P. 245.) “It may require a grasp of first principles to see this,” but upon seeing it depends your estimate of the validity of Mr. George’s argument.

We are told on page 246 that San Francisco, "though not yet thirty years old, has had for some years an increasing number of unemployed men."

Why don't they go to work? There is no "want of work," "nor is the demand for labor too small." So says Mr. George. But—"there is an obstacle *somewhere*."

"The means to pay"? (P. 246.) Precisely! First give them work, then wages; then they will have the means to pay; then comes "*effective* demand," and very soon thereafter the commodities to meet it. And that is the order of the generation of these things. Take away the work and the wages, and the demand (so far as it depends on the laborer) stops, and production ceases. And that is the order of their degeneration.

The inferences that Mr. George would have us draw from his account of the appropriation of new lands and the great advance in prices, in San Francisco, in view of the prospective opening of the Pacific Railroad, do not seem to be warranted by his own statements. (Pp. 248, 249.) It does not appear that any land was withdrawn from cultivation, but only that new lands were not brought into cultivation—or that there was any demand for it, since "the

anticipated rush of immigrants did not take place." (P. 249.) Though this might have prevented increase, (of production,) how can it be spoken of as "checking production"? The ground already occupied need not produce any less—might produce more—would be forced to produce more, had there been demand for more. And if there were less, it was doubtless because there was less demand. But Mr. George will not see that this is the law of the order of these things, so long as it is essential to his theory to keep the cart before the horse.

On page 250 occur these words: "And, hence, a world-wide depression of industry and commerce, begotten of a world-wide material progress."

The right way to dispose of this, is simply to say, (and in saying it we dispose of much of Mr. George's book,) that it is a contradiction in terms, which neither does nor can state a fact. Mr. George might as well have undertaken, by deliberate and serious argument, to show that the affairs of the world are "advancing backwards." How "a world-wide depression of industry and commerce" can result from any "material progress" is a problem that no one but Mr. George has ever felt called upon to solve. And we imagine that it would bother Mr.

George somewhat, with all his vaunted skill in making things sharp and clear on their verges, to inform us in what sense "progress" is "material," in which "industry and commerce" are any less so.

Every advance in human affairs is followed by a pause, a rest, and, often, something of a recoil. The appliances and industry necessary to a given work are laid aside when the work is accomplished. The stir and bustle, clatter and hammering, and carrying to and fro, attending the construction of a house, will cease when the house is built and the scaffolding and rubbish removed. And that is a cessation of industry and commerce for so much—unless there be a *demand* for another house. The "industry and commerce" and "progress" go, *pari passu*, hand in hand.

CHAPTER X.

WEALTH, POVERTY, RENT.

"For all the improvements which add to productive power as civilization advances, consist in, or necessitate, a still further sub-division of labor, and the efficiency of the whole body of laborers is increased at the expense of the independence of the constituents." (P. 255.)

At the beginning of his second chapter, (Book V, p. 254,) Mr. George gives it as his opinion, that the "great problem is fully solved"—that is, the problem of "Progress and Poverty," or the "persistence of poverty amid advancing wealth." To Mr. George this is, or was, a problem. It had to be that, or there would have been no excuse for his book. And he restates it here at the head of this chapter, as if it involved a flagrant inconsistency, and denoted a most unnatural state of affairs. With his eyes fixed upon the gorgon Rent, their sense seems to be shut to a plain, salient fact, palpable to every sight but his. A single thoughtful glance at the very terms of his text,

in the light of his two fundamental principles, is the end of the agony over the "great problem." Are they not relative terms? Do not the words "wealth" and "poverty" imply and explain each other, as much as heat and cold, light and darkness, good and evil? Is it not of the very essence of the matter, that *advancing* wealth should leave poverty more and more behind—widening and deepening the gulf—always sharpening the contrast, even while ameliorating the evil?

What is wealth but the fruit of the labor of those men who plant and save, and save and plant? Are not these diligent, industrious, frugal, "superior men" the creators (producers) of the wealth of the world? And who, according to Mr. George, but the men who save, plough, plant, work and reap while others drone and doze, or dig and eat, are to "possess and control" this wealth "as against all the world, to enjoy or to destroy, to use, to exchange, or to give"? If there were no property in the world, the question as to "who owns the things," would not puzzle even Mr. George. Nor, since there is property, and since, under the "re-cast" Political Economy, the maker of the things is the rightful owner of the things, can we see why Mr. George need run off after Rent to get an

answer to the question, why it is that the man who has the things is "rich" while the man who has them not is "poor," "as this world goes." Or why it is that, while he continues to make and save, the more his wealth advances, and while the other continues not to make and save, the more his poverty persists? But nothing short of saddling the whole matter upon Rent will serve the purpose of Mr. George. And as this is the particular thing which he has to make good in order to give value to the rest of his industry, it is worth while to see how he does it.

The main purpose of this chapter on the Persistence of Poverty is to show that increase of productive power, whether in the form of men or machinery, increases rent, and that the inevitable tendency of increase of rent is to force down wages. This is Mr. George's solution of the problem of Progress and Poverty — of the abundance at one pole of the social magnet and the destitution at the other. If the validity of the conclusion depend upon the soundness of the argument, there can be no hesitancy in pronouncing it lame and impotent. But it is due to the merits of the question to say, that it does not so depend. There is a large measure of truth in the general proposition that increase of

rent tends to diminish wages—a truth that stands out clear from the wordy rubbish of fallacy which Mr. George has heaped about it. Whatever there is that is true about it is not new. Whatever there is that is new about it is not true. Mr. George's chief mistake consists in taking a secondary for a primary truth. At bottom, rent is neither the sole nor chief cause of depression of wages. Increase of rent is itself the effect of a cause at which Mr. George has discharged all his heaviest artillery, and, if his boast avails, utterly demolished. And yet it is a cause which he is obliged to resurrect, re-habilitate and re-affirm in his very pronouncement of victory over it. The Malthusian goblin of "over-population" is no sooner laid, as such, than it is conjured up again in the new name of "Productive Power." Increase of productive power increases rent. Increase of population is increase of productive power. So increase of population increases rent *and* lowers wages;—raising rent by increasing demand for produce, and thus lowering wages, indirectly; (only so far as simple increase of rent tends that way;) and lowering wages directly by competitive division of the wages fund. (P. 255.) So, the labor-saving machine is increase of productive power. The machine (as before stated)

that does the work of ten men is equivalent to the addition of ten men to the population, in its effect upon wages—though not upon rent, except as the machine itself has to be fed from the soil, and so increases the demand for produce—excepting also as it may tend to “lower the margin of cultivation.” (P. 221.) In whatever shape the increased productive power comes—whether as man or machine—the tendency is the same—to reduce wages. Not alone through the channel of increased rent, but directly and chiefly by its divisory action on the wages fund. Hence, it appears, that the antagonism is not, as Mr. George would have us think, between wages and rent alone. No—wages stand alone on the one hand, pitted against “the discoveries of science, the march of invention, the spread of education,” (p. 255,) “improvements, government, manners and morals,” (p. 229,) and “civilization” on the other. If whatever tends to lower wages be a curse to the poor man—the laborer—whatever tends to raise them ought to be a blessing—even the Black Death of the fourteenth century. (P. 261.) While such a thing as rent (from private ownership of land) abides among men, according to Mr. George, no good thing can come to pass in the laborer’s behoof. Every blessing flies to

the positive pole of the social magnet, intensifying the curse of poverty driven to the negative extreme.

"If the corrupt governments of our great American cities were to be made models of purity and economy, the effect would simply be to increase the value of real estate, not to raise either wages or interest." (P. 229.)

Such is the potency of this law (of rent) that it makes, so far as the laborer is concerned, the highest advantages of civilization "persistent evils," tending "to reduce the free laborer to the helpless and degraded condition of the slave." (P. 255.) Recurrence to the savage state is preferable to this. For civilization has reduced classes of men to conditions worse than that of the savage. (Pp. 255, 256, 257.) And all through rent! And the only remedy is abolition or "confiscation of rent"! The only obstacle to the advent of the millennium, for lo! these many years, has been, and still is, "private ownership in land!" — Thus Mr. George.

"Increased power of production has everywhere added to the value of land; nowhere has it added to the value of labor; for though actual wages may in some places have somewhat risen, the rise is clearly attributed to other causes." (P. 261.)

If there be "other causes" which can *raise wages* in spite of the increased power of production and the doubling-up of land values, why

not bring them to the front, foster them, and give them full play and re-inforce them with all possible accessories and auxiliaries — excepting only the “Black Death” of the fourteenth century, and kindred agencies.

Mr. George seems to think (p. 273) that it is a mistake for people “who can trace their better circumstances” to their “superior industry, frugality and intelligence,” to imagine that those who remain poor do so simply from lack of these qualities.

“There is,” to appropriate some of Mr. George’s word — “there is, and always has been a wide-spread belief among” athletes and sporting classes generally, that the prize that is won by the superior speed of the victor was lost from the lack of that quality in the loser. “But,” still appropriating, “whoever has grasped the laws of the distribution of wealth [as Mr. George has grasped them and] as in previous chapters they have been traced out, will see the mistake in this notion.”

It would be worth while to read any book to get a sight of such a fallacy as that: though it is so thin, fleeting and evanescent that even Mr. George soon loses sight of it; for on the very next page (p. 274) he tells us that “if one man work harder, or with superior skill or

intelligence than ordinary, he will get ahead"—though, of course, we are not to suppose that those who are left behind are so left "from the lack of those qualities;" or, according to Mr. George's way of "grasping" things, some men may be superior to others without the others being inferior, and one leg may be longer than the other without one leg being shorter than the other. Hear him :

"The fallacy is similar to that which would be involved in the assertion that every one of a number of competitors might win a race. That *any* one might is true ; that *every* one might is impossible."

Still, those who lost did not lose from the lack of those qualities which enabled the winner to win! However, the mistake, the "fallacy," by Mr. George's own statement, (p. 273,) lies in the supposition that he who does win the race wins it by virtue of qualities which are lacking in the losers.—The fallacy of which "is similar to that which would be involved in the assertion" of the fool in Shakspeare: "An two ride a horse, one must ride behind."

Such scintillations as the above force us to think, that a little tincture of Mill's "Logic" would have been a wholesome preparation for Mr. George's assault upon Mill's "Political Economy."

However, this profound conception of the poorer runner not missing the prize, for lack of winning qualities, is not entirely original with Mr. George. We can trace it back to some doggerel lines seen in our boyhood :

"The race is not always to him
Who the swiftest runs;
Nor the battell to the peopell
Who shoots the longest guns."

"When to read and write were rare accomplishments a clerk commanded high respect and large wages, but now the ability to read and write has become so nearly universal as to give no advantage." (P. 277.)

Which is as much as to say, where there is no inferiority there is no superiority. In which profound deliverance we agree with Mr. George, without any especial pride of intellect.

"Compel a man to drudgery for the necessities of animal existence, and he will lose the incentive to industry—the progenitor of skill—and will do only what he is forced to do." (P. 275.)

"Increased wages . . . will ultimately bring increased industry, skill, intelligence and thrift." (P. 278.)

But when the "skill, industry and thrift" are equally shared by all, or become "nearly universal," they "give no advantage;" (p. 277;) and if they give no advantage, they offer no incentive to industry—the progenitor of skill—(p. 278) or to the accumulation of wealth, "one of the strong forces of industrial progress;" (p.

288;) and stagnation or retrogression into anarchy, and perhaps barbarism, would be the result. (P. 288.) And where these things—industry, skill and thrift—are not equally shared there is no equality in the ability to get, hold or enjoy the things of this world. This is the outcome of Mr. George's attempt to show that failure does not result from lack of the qualities which achieve success.

It is curious to note how frequently Mr. George boasts of having supplanted the Malthusian theory with his theory of "the tendency of rent to reduce wages," (p. 276,) since the whole power of rent to reduce wages is derived from "increase of population" and that which is equivalent to it—machinery: thus verifying and exemplifying the very doctrine he vaunts of having overthrown. It may be, that, without landownership and rent, Malthusianism would go to the wall; but those were not the conditions under which the doctrine was set up.

"All that is necessary to social regeneration . . . is 'Land and Liberty.'"

How much land? How much liberty? Indulge us in a little dogmatism. Divide the acres of the world to-day, *per capita*, so that in the division the scales of justice shall not turn in the estimation of a hair, and give men "liberty"

to use it or let it alone, to keep it or give it away — to buy or to sell, "restricting" in nothing that can hinder "the free and natural development of all the parts"—how long would the equality continue? How long would it take to set up all the inequalities that now exist in the world, and reduce the ownership of the land in it to a tithe of the inhabitants thereof?

It is not "land" that will make all men rich. It is not "liberty" that will make all men free. By the inexorable law of social gravitation, the law of least exertion, the light go up and the heavy down. There is nothing so utterly antagonistic to—so utterly destructive of Mr. George's scheme as the fundamental principles of it—"Land and Liberty," and "the law of least exertion."

Mr. George tells us that there is everywhere a tendency to concentration in landownership. A few years ago 320 acres was a large farm. (P. 290.) Now farms vary all the way from 10,000 to 100,000 acres—the model farm of Dakota reaching the higher figure.

"The reason is obvious. It is the application of machinery to agriculture and the general tendency to production on a large scale. The same tendency which substitutes the factory, with its army of operatives, for many independent hand-loom weavers, is beginning to exhibit itself in agriculture." (P. 291.)

But the army of operatives in the factories, or laborers on the 100,000 acres, are not benefited by this application of machinery — this “increase of productive power.” This, subject to the law of rent, is their curse. Their blessing is to come with the reversal of all this — the restoration of “the independent hand-loom weavers,” the small-scale farmers, or, possibly, the independent root-diggers and oyster crackers. For if whatever increases productiveness lowers wages, *e converso*, whatever diminishes productiveness should tend to increase wages. If not, why not?

Speaking of the “Ulster tenant right” he tells us, substantially, (pp. 291, 292,) that to carve out of the estate of a landlord an estate for the tenant would not improve the condition of the laborer.

“The only difference would be that the tenants of the first landlords, who would become landlords in their turn, would profit by the increase.”

But suppose you keep on “carving” until the tenants, and their laborers, too, become landlords, then would they all “profit by the increase”? Is there any other way to give them all “land and liberty”? And does that seem feasible or offer a hopeful outlook for the millennium? To say nothing of a thousand

years, could such a state of things continue for a thousand hours, with "Liberty" for one-half of the motto?

"The unequal ownership of land necessitates the unequal distribution of wealth." (P. 294.)

And all, or nearly all, the ills that social flesh is heir to, spring from the unequal distribution of wealth. The first and efficient cause, then, of the curse and crime of poverty, is unequal ownership of land. Whence logic points to equal ownership as the only remedy.

"There is but one way to remove an evil — and that is, to remove the cause." (P. 295.)

The "one way" of removing the evil of unequal ownership is, equal ownership. But that is "impossible," (p. 294,) unless equal ownership and equal distribution be different things. And if they be different, what is the significance of the motto "Land and Liberty"? But even if an equal distribution were possible, its continuance would not be. If but two men dwelt on the globe, and its land were held in common, or were equally divided between them, the lazier one, in less time than it takes to tell it, would yield his title to the superior vim of the other, or *sell* his share and board it out. *For*, there is no evading the "law of least exertion." So

saith Mr. George — that is to say, “up to a certain point.”

“If some men in a community spend all they produce in living, and pleasure, and other men spend a part in plant, those who plant have a higher manhood in this thing, and will gain ground and ought to; for the higher manhood must control. The man who eats his seed corn, starves or serves the man who plants his. But there is a difference in the natural power of men to save and plant. Yet the Republic can live only as it is composed of superior men, [all superior?] and men can be superior in this thing only as the power to save and plant is developed in them by exercise. Hence to bring it about that all our citizens shall be in some degree those superior men of which the republic must be composed, if it is to live, a system of business must be devised and put in operation, which, by its natural working, will cause all to save and plant and tend their planting in every human industry. Of such a system, those who are best able to save and plant, must be put in charge.” (Jesse Jones, *International Review*, July, 1880.)

CHAPTER XI:

OWNERSHIP.

Running through pages from 299 to 304 of Mr. George's book are to be found repeated endorsement of the leading idea of the foregoing extract—namely: the right of every man to the unrestricted use of his own powers, and the exclusive and absolute ownership of the fruits of their use.

“That which a man makes or produces is his own, as against all the world—to enjoy or to destroy, to use, to exchange or to give.”

“Thus, my exclusive right of ownership in the pen springs from the natural right of the individual to the use of his own faculties.” (P. 300.)

“The laws of nature are the decrees of the Creator. There is written in them no recognition of any right save that of labor; and in them is written broadly and clearly the equal right of all men to the use and enjoyment of nature; to apply to her by their exertions, and to receive and possess her rewards.” (Pp. 301, 302.)

“No one else can rightfully claim it, [that which a man makes,] and his exclusive right to it involves no wrong to any one else.” (P. 300.)

Yielding to his propensity to resolve things, Mr. George reduces, in a "last analysis," the right of a man to ownership, to the integrity of his "motor nerves."

"From what else then [than the motor nerves] can the right of possessing and controlling things be derived?" (P. 301.)

Mr. George is quite sure that a man has a right to himself, and that his ownership of himself is the sole ground of his right to own anything else. Yet he does not seem to see any reason, after saying this, why he should not say, that a man's sole right to anything is derived from "human exertion"; though he does not explain how a man got his title to himself in that way. A strict construction of this right would put the title of ownership of a man, not in himself, but in his nurse. We will not, however, press the point, but turn to the essential idea in the quotation from Mr. Jones, namely :

"Of such a system, those who are best able to save and plant, must be put in charge."

Brief as it is, it is broad enough to cover the whole politico-economic history of the world, including the problem of "Progress and Poverty." Those who are most able to save and plant, and plant and save, are "put in charge." That is the way it always has been, and is, and

"must be," just so long as men have a right to the use and the fruits of the use of their superior gifts of bone, brain and muscle.

The "basis of property" is "the right of a man to himself." (P. 300.) . . . "Each man is a definite, coherent, independent whole." . . . "As a man belongs to himself, so his labor when put in concrete form belongs to him." . . . "What other right exists from which the right to the exclusive possession of anything can be derived, save the right of a man to himself?" . . . "Nature acknowledges no ownership or control in man save as the result of exertion." (Pp. 299, 300, 301.)

Mr. George challenges bluntness. We accept the challenge and say:

Man does *not* belong to himself. He is *not* an independent whole. His right to property cannot be derived from self-proprietorship—for that does not exist. He does not belong to himself, and has no more right to live for himself, than his mother had to strangle him at his birth—which she had a perfect right to do if she belonged to herself—had a right to live for herself and owed nothing to her child. A man is no more independent of the social body—the body politic—than the arm is independent of the natural body. There is no

time, between the cradle and the grave, when a man can stand in complete isolation and independence, "as if he were the maker of himself and knew no other kin." If a man were self-derived, he might belong to himself—own his own life, to take it up and lay it down as he willed.

If his right to property rest on no better ground than that of independence and self-proprietorship, his title is a rope of sand.

A man's right to property is derived from the necessities of his being—his right to exist, and appropriate that which is necessary to his existence. First, to satisfy present need; next, to *provide*—to lay up—for prospective want. The roots which one eats as he digs can hardly be called his *property*; but those which he saves to eat hereafter are his property. His right to this stock-in-hand is good against all who have an *equal* chance to dig and save. More than enough to meet these ends he neither should nor really can gather for himself. The surplus belongs to another, and will go to another, *serius ocius*, and may be rightfully taken by any other whose need and unforfeited right to live are his title to it. No man, no *law*, can rightfully hinder him from taking it. Justice demands it for him. There is no other use for

the State but to see that he has it. The State is for justice' sake. Justice is—awarding to every man his rights. The State that cannot do that, stands on a powder-mine with uncertain length of fuse. Every tax that takes from the rich to help the poor is an implied recognition of that right—though but a halting, bungling execution of it.

“A house and the lot on which it stands are alike property, as being the subject of ownership, and are alike classed by lawyers as real estate. Yet in nature and relations they differ widely. The one is produced by human labor, and belongs to the class in political economy styled ‘wealth.’ The other is a part of nature, and belongs to the class in political economy styled ‘land.’” “The essential character of the one class is, that they embody labor.” “The essential character of the other class is, that they do not embody labor.” (P. 303.)

Because one is produced by man—the other by Nature. Let us take a second look at this.

The tree from which the planks were made, of which the house was built, was of the land. Both land and tree apart from man are worthless. It was labor—the hand of man—that transformed the worthless tree into a valuable house; that “impressed the character of wealth” upon it. But the tree is no more the raw material of the house than land, air and water are the raw material of the tree.

Without the hand of man the land is as

worthless as the unhewn tree. To plant an acorn, raise a tree and build a ship, are labor conferring value no less upon land than upon tree and ship. These values are all the creation of man, and (if value imposed by labor confers property) belong to him — quite as much that which he puts in the soil as that which he puts in the ship. Has he who dykes a marsh, or drains a swamp, or clears a forest, and makes waving fields of grain take the place of bogs and fens, wrought nothing into the value of the ground which he may rightly call his own? Has he who makes a blade of grass grow where none grew before, no right but to walk off with his blade of grass and leave the now-grass-growing ground to any comer?

Mr. George says, he has "a title to the improvements," but "not to the land itself." (P. 307.) He may take the added values out of the "forest," "swamp," "morass," if he can, and do what he pleases with them — "use, enjoy or destroy" — but to the soil itself he has no right. If he cannot subtract the improvements, they are "swamped" indeed for him, and go to Tom, Dick or Harry, or all three, if they like.

You smelt, hammer and grind the shapeless mass of ore until you produce an axe. The

shape and sharpness are yours—the ore, any man's that wants it. The only practical difference between this and land-improvements is, that you cannot carry off the swamp on your shoulders as you can the axe.

“Have we made the earth,” Mr. George asks triumphantly, “that we should determine the rights of those who, after us, shall tenant it in their turn?” (P. 304.)

Have we made the house “that we should determine the rights of those who, after us, shall tenant it in their turn?” Yes, (Mr. George being judge,) we made all that is of value in the house; all that is of value in the “earth”—both being worthless till quickened by the hand of man. On the preceding page it is plainly set forth that the house a man builds belongs to the man who made it, because “it is produced by human labor.”

But the lot on which the house stands—to whom does that belong? Not to him, we are told, any more than “to the poorest child that is born in London to-day,” or to “the puniest infant that comes wailing into the world,” in a New York tenement-house. The birds of the air have nests and the foxes have holes, but your house hath not where to rest its sills. You cannot even hang it in the air, only till the pu-

niest infant comes along and bids you "move on" and yield him his "equal right." "You take my house when you do take the prop that doth sustain my house."

But, of course, that is our affair and no concern of the new Political Economy.

This whole argument in relation to ownership, (p. 300,) either proves too much or nothing. That a man owns himself, and, therefore, all upon which he bestows himself—all into which he infuses a value by his labor—if accepted as true, must be as rigorously applicable to land as to anything else. The value added to a log of wood by being transformed into a desk by the hand of labor, no more belongs to the man who made it than the value added to a plat of ground by being transformed from a bog to a potato-patch. If the wood of which the one is made be the natural product of the soil, it belongs to the soil, and no one man has any more right to touch it than another, nor can have, until the question as to whom it belongs be decided in some other court than the court of might. If the desk be the product of the soil, plus the improving hand of man, and the fact of improvement confers a property, then the wood and the improvement belong to the improver—he may take his improvement *with*

all that is inseparable from it. It is with the resources of Nature as at the mill — first come, first served. You own the wood because you were the first to lay the improving, the value-imposing hand of labor on it. If you cannot own the ground which you have changed from a swamp to a garden, because it is a part of Nature, neither can you, for the same reason, own the wood which you have turned from a log into a canoe or desk. Any man has an equal right with you to the wood and may take it as rightly as you — *if* he can separate it from the value you have conferred upon it by your improvement. If he cannot do that, he must either take the fruit of your labor, which is clearly not his, or surrender the wood which, Mr. George being judge, is clearly not yours; or, that the rights of either may not be infringed, we will smash the desk and do an equal wrong to both. Or, shall we solve the difficulty by agreeing to use it in common? This might be feasible with a desk, but hardly, with a stool, if both needed rest at the same time. If it be wrong — unjust — to appropriate another man's improvement — the product of his labor — to make common property of the wood which has been rendered valuable by being converted into a stool or desk, it is equally wrong to make common

property of the land a man has improved by his labor. The land is no more common property by nature than the tree which grows upon it. If the first-comer has a right to take the one, he has an equal right to take the other—so much of it as by labor he can convert to his own proper use. If a man own a desk by virtue of labor bestowed upon its material, he may make and own a thousand, and keep, use, give away, or sell the thousand, and use the proceeds to turn a fen into an Eden. The fen was worth nothing, and so the *property* of no one till he laid his improving hand on it, and endowed it with value. All that makes it valuable now is the desks, or their equivalent, that he has put into it. That equivalent was, and still is his, and must of right be, so long as he wills; and no man, nor any "State" can *justly* deprive him of it, without full compensation, or demand that he shall take it out to let another in. The second comer, whether an individual or the State, must go elsewhere. All this according to Mr. George. A man owns his house, desk, or coat, by reason of the value his labor has impressed upon it. But not land—because he cannot impress a value upon it by his labor? But Mr. George tells us, (p. 146,) that "Labor can only be ex-

erted upon land." "Land is the field and material of labor." Then, by Mr. George's logic, instead of being the only thing a man has *not* a right to own, it is the only thing he *has* a right to own.

The bottom question is, not whether I have as much right to own land as to own bread, but whether I have a right to own either land or bread, beyond my need, while my neighbor starves. The rich man who suffers his natural brother, father or mother to die in the poor-house or starve on the street, is looked upon (privately) as a monster of inhumanity. But nothing save injustice can make monsters of men. The *true* man, the *just* man, will divide his last crust with his needy brother. So will the just man with his neighbor. But who is his neighbor? Who is his brother? "Behold my mother and my brethren," said One who laid the foundation of the only true democracy, and announced the only fundamental principle of Political Economy, in the doctrine of the universal *brotherhood* of man. Until this simple truth be *practically* recognized, the evil of poverty must be borne — the salvation of the world must wait. There can be no substitute for this — not even in confiscated lands or rents.*

* In 1866 a gentleman in one of our principal cities "bought a journal almost bankrupted." He did not try to

On page 312 we are told that private property in land is unjust, as chattel slavery is unjust — the ownership of land always giving the ownership of men. He says :

“Place one hundred men on an island from which there is no escape, and whether you make one of these men the absolute owner of the other ninety-nine, or the absolute owner of the soil of the island, will make no difference either to him or them.”

Mr. George is quite confident in this — it is to him a self-evident proposition. Yet, as usual,

bolster it up, and save himself, by reducing wages and raising rates (charges). He paid the highest wages and charged the fairest prices. He pays five cents per thousand ems more than is called for by the scale of the Typographical Union No. 2. What does that amount to? Take last week's work in the composing-room. There was a total of 2,340,119 ems set up. The cost of that amount at the Union rates would be \$936; by the rates paid by the proprietor the sum is \$1,053, or \$117 more than he needs to pay, according to the Union rules. This is an average of \$2.85 per week additional pay to each compositor. The men say that a regular compositor on this paper will receive in a year \$150 more than the scale of prices calls for, and this has been done since 1877, a period of nine years, and in that time it is safe to say that he has paid to his compositors \$55,000 more than the highest rate of composition paid by the proprietor or publisher of any other newspaper in Philadelphia. When men are incapacitated for work through old age or infirmity they are pensioned off, and for the remainder of their lives they are comfortably provided for. When an employé dies his funeral expenses are paid by the same generous hand which deeded a burial lot to the compositors in Woodland Cemetery. Every Christmas Eve he remembers every man and boy in his employment with a generous and timely gift of money, that enables each one

he himself furnishes the refutation of it. He says :

“In the one case, as the other, the one will be the absolute master of the ninety-nine — his power extending even to life and death, for simply to refuse them permission to live upon the island would be to force them into the sea.”

“To refuse them permission,” etc. — but how can he refuse? Is not the politico-economic law of gravitation dead set against it — the “Law of Least Exertion”? For the one man to drive them into the sea is to doom himself to

of them to gladden the hearts of their wives and little ones by presents of various sorts. In the local and editorial departments good care is taken of the entire staff. Timely increases are made in salaries. Honesty and loyalty are invariably recompensed in a way that is as grateful to the recipient as it is pleasing to the giver. Everybody gets a midsummer vacation, and, in addition to the two weeks' advance in salary, receives an honorarium that pays his hotel bill either in the country or at the seaside. It is nothing new for him to send a man whose system is run down by illness or other causes for a trip to Europe, to pay all his expenses, and to see that in his absence his family does not suffer, for his salary is paid to them as faithfully and regularly as if their ‘breadwinner’ were really at work. Indeed, in one case of a faithful employé this trip was repeated again and again in hope of benefit to his shattered constitution. There is no partiality or exception in the distribution of these evidences of a large heart. What is known in the office of this great publication as the ‘pension list’ foots up yearly thousands of dollars, all of it weekly paid away to old and faithful employees retired from the active pursuits of life, enjoying the comforts of an honored old age. Every man is treated by the employer as a gentleman ; his position does not depend upon the caprice or whim of any editor or head of department ; no discharges are made except for

dig his own roots, which the all-dominating "law of least exertion" will not permit him to do. Indeed, Mr. George gives us evidence (p. 243) that time was when landowners "endeavored to compel laborers to remain on their estates." What the law of least exertion will not suffer him to do, it is his interest, every way, not to do. It is his interest to keep every man of them on the island—and in such condition and on such terms as will make them most

cause, and it is safe to say that the man who is discharged from this establishment for cause must have committed a grave fault. Justice is always tempered with mercy. What is the result? Strike? Boycott? In all of the twenty years of ownership, indeed in all of his active business career, this manly man has had no controversy with, or complaint from, the employes, and when his compositors, some years ago, anticipated a reduction in the scale in the principal offices of the city, voluntarily offered to reduce their rates, the employer answered: 'Why should you do this, or why should I allow you to do it? I receive the same price for my paper. It costs me no more to make it. I receive the same rates for advertising. I will not permit you to reduce your scale. It would be unfair to you to do so.' This man is beloved by all of his men, and they try by strict attention to duty, by loyalty and all that that implies, to return him in a slight measure what he is continually doing for them. Is it necessary to name George W. Childs, who has more effectually shown by deeds how to solve the great social and industrial problem than all the words and plans spoken of or devised inside and outside of Congress since the opening of the session. His plan, his conduct, is bigger than the strike and boycott; it vanquishes them. It is the rendition of justice and right from man to man. So plain and simple is it, that the wayfaring man, though a fool, need not err therein. (Maxwell Stevenson.)

useful to him; and that is the condition, and those are the terms which will be most beneficial to them. *To see that one fact* in all its height and depth, length and breadth, is to find the key to the whole difficulty.

But, is this law of least exertion sufficiently controlling—and is self-interest sufficiently restraining to insure the rights and well-being of the ninety-nine"? *We* doubt it, but Mr. George says (page 196) that the law of least exertion

—“is the all-compelling law that is as inseparable from the human mind as attraction is inseparable from matter, . . . without which it would be impossible to prewise or calculate upon any human action, the most trivial or the most important.”

On page 318 we read :

“In the Southern States during the days of slavery, the master who would have compelled his negroes to work and live as large classes of free white men and women are compelled in free countries to work and live, would have been deemed infamous, and if public opinion had not restrained him, *his own interest in the maintenance of the health and strength of his chattels would.*”

This does not look like driving them into the sea.

Again, on page 315 :

“This power [of life and death] exists wherever the ownership of land exists, and can be brought out wherever the competition for the use of land is great enough to enable the landlord to make his own terms.”

What, beside "over-population" and "pressure upon subsistence," could ever enable a landlord to make his own terms? But even that could not do it. No landlord can ever make his own terms, while there is another landlord to compete with him. Both need labor and are rival bidders for it. Or if there be but one and none to compete with him, the law of least exertion holds his nose to the grind-stone. It makes him as much dependent upon the laborer as the laborer is dependent upon him. The landlord must either work himself or find a substitute—or starve. He will not work, for the law of least exertion will not let him; he will not starve, the law of an empty belly cries out against that; so he will find a substitute. On what terms? It is the laborer's fault if he have not as much to say about that as the landlord. It is in his power to "cut off the supplies," as much as it is in the landlord's. He is a fool if he does not know it. He is a slave, and deserves to be, if he surrender it. If, under any circumstances, one man can drive "ninety-nine" men into the sea, the sea—the very bottom of it—is the right place for them. It is idle to talk of *making* men free. "He who would be free, himself must strike the blow." It "is not in our stars, but in ourselves, that we are under-

lings." Nor can you *put* men down. They go down, the mass of them, of their own sweet wills, and have an "alacrity at sinking." You can help human beings up and "stay them after"; but you cannot put a *man* down. Try it once, and see how you come out. While he is a man you will let him alone. And the thing that you *can* put down is above all the very thing you had better keep up. The easier it is to put it down—the harder it is to keep your heel on it. And it is only a question of time whether its fang shall bruise you.

Since writing these pages, we have had, by the courtesy of the author, the pleasure of reading, and permission to use, an excellent article, on this land question, though much more ably and elaborately presented in "Popular Science Monthly" for February, by Oliver B. Bunce. The paper is especially notable for its clearness of statement, and practical, sound sense throughout. The following extracts will at once commend themselves to the approval of the reader:

"Labor creates the conditions that make land wealth just as much as it creates the conditions that make other things wealth."

(Mr. George says, substantially, the same thing; and says also, that man is the sole owner of the wealth he creates—though he repudiates

the conclusions of his own logic when applied to land wealth.)

"When we buy or sell land, the price is not for the mere stretch of earth, but either for improvements or conditions, for something given to the land by the efforts of man, or something that has been developed in connection with the land as a consequence of man's relation to it."

And which, it may be added (as that is unquestionably Mr. Bunce's meaning), is inseparable from it, making it a mockery to say, that the creator of the wealth—the improvements—owns the improvements, but not the land, without which the wealth is worthless to the creator of it.

We return to Mr. George:

"The truth is, and from this truth there can be no escape, that there is and can be no just title to an exclusive possession of the soil, and that private property in land is a bold, bare, enormous wrong, like that of chattel slavery." (P. 332.)

"From this one great fundamental wrong flow want and misery, and vice and shame." (P. 327.)

If this be true, the wrong cannot be righted too soon. The harshness of the means is not to be considered for a moment. Another flood, an expurgation by fire, should be welcomed unhesitatingly, if remedies so heroic be necessary. It were better that a million tons of dynamite be

exploded at the center of this earth and the polluted fragments blown into infinite space, than that such a state of things should continue. To say nothing of *ownership* in land, it were a thousand times better to abolish the land itself than that want, misery, vice and shame continue. But we fear that Mr. George has mistaken the seat of the disease. If it were in the land, it could soon be rooted out. But it is not in the land, nor in the title to land; it is in the heart of man. Abolish its selfish lusts and hate; "cleanse the stuffed bosom of that perilous stuff;" "raze out" the canker from that; find the purgative drug that can scour hence its evil passions; in a word, change the *nature* of man, and your task is done. Unless you can do this, the abolition of property in land will be of no avail. It will only take time, and a short one at that, to bring us back again to our present state. "Give men land," *and* "liberty" to buy and sell—and the "law of least exertion" will soon do the rest.

Mr. George denies that there is any honest landholder—that is, honest in the sense of having any right to own a single square foot of ground—as having any better right than any other man, woman or child to the same square foot. The landholder of to-day is the perpet-

uation of a robbery committed by some free-booter, or other armed ruffian in the "dark backward and abysm of time." The first possessor was a thief and a robber, and can convey by deed or will no better title than he has himself—and all who hold under him are thieves and robbers—to whom any starveling pauper or puling infant has a right to say, Go! Hence, he condemns Mill's and Spencer's notion of "compensation," for taking away their lands, as ridiculous and criminal. And rightly, too, if he be right in saying that no individual ownership can be just. But we cannot see how he can be right in this, if his other proposition be true, that a man has a right to the value that is created by his own labor. We have considered this in another place. (Pp. 226–235.) Mr. George is not wholly unmindful of this, and for that reason does not "propose" to go as far as the law allows.

"It is sufficient if the people resume the ownership of the land. Let the landowners retain their improvements and personal property in secure possession." (P. 330.)

His fences, for example, and all that they enclose? Of course, for unless left *in situ* they are neither fences nor improvements, but so much lumber only, and there is not a spot even on which to pile them, that the improver can

call his own. Or else he is to retain possession of land and all, and let the people tickle themselves with the mockery of *calling* it theirs. Or else he is to retain possession, manage the estate, sow and reap, and give the people title and proceeds. That would be "nice" for the people, so long as the stimulus for exertion, on the part of the possessor, holds out.

Now, is there not in all this, in the mind of Mr. George, an unconscious separation of "the people" from the owners, or occupants or tillers of the soil? Does Mr. George expect "the people to resume the ownership of the land," and then farm it out to an army of laborers, who are not *the people*, but are simple-minded enough to plow, plant and reap for pastime, and give "the people" — the new landlord — the products of their labor? Or will the people hold the deeds and appoint an agent of the people to lease the land back to the people, or laborers, in quantities to suit? And their agent will be — the Government? And the people are the Government — and so, being the parties to both sides of the transaction, they cannot fail to be suited.

Notwithstanding Mr. George's assertion that "the opinion that private property in land is necessary to society is but an offspring of ig-

norance," we venture the counter-assertion that there can be no nation — no permanent government — without the *home*; no home without a house; no house without land; no efficient motive to retain or improve either, without that sense of security that *ownership*, or the hope of ownership, alone can give.

To Mr. George's statement, on page 333, that "nowhere has unrestricted individual ownership been adopted," we (if that can be any comfort to him) would say, that nowhere ought it ever to have been. But there is some difference between restricting men in the use of their property and robbing them of it.

On page 334 Mr. George quotes a passage from M. de Laveleye, namely :

"In all primitive societies the soil was the joint property of the tribes and was subject to periodical distribution among all the families, so that all might live by their labor as nature has ordained. The comfort of each was thus proportioned to his energy and intelligence; no one, at any rate, was destitute of the means of subsistence, and inequality increasing from generation to generation was provided against."

It is not easy to see how, while the comfort was "proportioned to the energy and intelligence of each," inequality could be provided against. But that it could be checked and the balance periodically restored seems not only feasible but possibly desirable — nay, absolutely

just and necessary, if there be no other way of preventing the strong from taking advantage of the weak—of giving him the unrestricted benefit of his superior “energy and intelligence”—by the “law of might.”

It is not certain but that a return to these primitive conditions would work the abolition of pauperism and be in other respects a betterment of the human estate. In the “primitive society,” where the “comfort of each is proportioned to his energy and intelligence,” the pauper is an impossibility, for the very law of his existence would be the pioneer’s motto: “Root, hog, or die!” No one could be long “destitute of the means of subsistence” in a society where destitution is death; where the pauper—the weak in mind or body—unblest with “energy and intelligence”—is not fit to live, and where only the fit to live survive—“the survival of the fittest” being the absolute and inexorable law. Still it is not clear, that the civilization that makes pauperism possible, may not have something to offer which more than compensates for it; something, perhaps, in the shape of the greatest good to the greatest number. Let it once appear that *going back* is the only way, or the better way—we cannot turn too soon. The *wrongs* of poverty *must* be righted. The

honest need of any man, of every man, is a right against all the world. There is a terrible guilt on the soul of every man in that community where a man, woman or child, dies for want of shelter, clothes or bread. Not guilty, perhaps, in having his hand directly in that particular death, but in acquiescing in that state of things which could make such a death possible. But the guilt is to be shunned; the remedy is to be found, not in the doctrine that the "comfort of each is to be proportioned to his energy and intelligence." There are rights resting on other, higher grounds than the might of "energy and intelligence." Land and liberty are not the highest aim of man, nor the means by which Justice is to be set up in the earth. There is no hope for man till men learn the lesson, that the rich are not rich for themselves; that the strong are not strong for themselves; that the mighty in "energy and intelligence" are not here to be ministered unto, but to minister. How? *"That is the question."*

A new divide and a fair start are possible terms, but there is no power, "short of omnipotence," to insure an even race and an equal prize. All may start together; two may tie — only one can take the first prize. The very

terms "race," "goal," "prize," "rewards," "victory," hurl denial at "equality." The word has no place among the gifts, the aims, the deeds of men. The very word *incentive* contradicts it. The phrase "equal chance" is a delusion. Equality and excellence are contradictory terms. The only equality conceivable is equality before the law—the equal right of all men to the best use of all their faculties—the very equality that cancels all others. The motto "Liberty and Equality" is a solecism—an absurdity. Liberty destroys equality—liberty to grow, to surpass, to excel; liberty to be superior—unequal.

"Unquestionably, economic merit should be allowed to tell; superior usefulness not only in fact deserves, but cannot prudently be denied, a resulting reward, *proportioned to the degree in which it is superior.*" (Charles Frederick Adams, *International Review*, March, 1882.)

See pages 390, 391, of Mr. George's book.

The plain implication of all which is, that some must be above and many below; some up and many down; some before and many behind; some great and many small; many called but few chosen; some rich and many poor—poor "in the possession of dirt," but rich in the inheritance of the kingdom of God.

On page 359 Mr. George tells us, in his rampant spirit of contradiction, that

— "it is not the *magic* of property, as Arthur Young said, that has turned the Flemish sands into fruitful fields. It is the magic of security to labor."

If the phrase "magic of security to labor" be not sheer nonsense, it means—security to the products of labor. If there be a difference between "property" and "the products of labor," or between the "magic of security to property" and the "magic of security to the products of labor," then Mr. George has denied and affirmed something—otherwise he is beating the air. "Give a man security that he may reap and he will sow." That is, give him security that what he reaps shall be his own—his property—"and he will sow." "Assure him of the possession of the house he wants to build, and he will build it." That is, assure him that it shall be his house, his property—and it goes up as by magic—"the magic of property."

"These [that is, the harvests and houses] are the natural rewards of labor. It is for the sake of the reaping that men sow; it is for the sake of possessing houses that men build. The ownership of land has nothing to do with it." (P. 358.)

Does Mr. George use the words "reaping" and "possessing" to disguise the fact that the

property (the thing that he denies), in the house and harvest, is the essential thing with the builder and sower, and, by so disguising it, give plausibility to his contradiction of Mr. Young?

The fact is, in spite of Mr. George's denial, that, simmered down, his statement and Mr. Young's are identical propositions. But, then, Mr. George would not be profound or original if he did not dissent from the great thinkers. The incentive to sow or to build is—not security to labor—freedom from molestation while sowing, reaping or building—but security in the property produced by the labor. There all the magic lies. It may be that “land has nothing to do with it”; provided the security for the ownership of the house and harvest be all the same. If security to the house carry with it secure possession of the land, it matters little to whom the empty epithet of “ownership” applies—in whose hands the empty title rests. It matters little to Richard Doe whether Tom, Dick or Harry, or all of them together, claim the “ownership” of the lands on which his house, shops, barns, sheds and sheep-folds stand, provided he have the sole and perfect use of them to himself, his heirs and assigns forever.

The object of the chapter on “Ownership and the Use of Land” (p. 357) is to show that

common ownership removes no incentive to private enterprise, because the common ownership must take a form that shall in no way contravene private rights.

"The complete recognition of common rights to land need in no way interfere with the complete recognition of individual right to improvements or produce. Two men may own a ship without sawing her in half. The ownership of a railway may be divided into a hundred thousand shares, and yet trains be run with as much system and precision as if there were but a single owner." (P. 359.)

Even so ; but mark : the *two men own* the ship—to sail, sell, sink or give away ; the two hundred men (more or less) own the railway—not *for*, as trustees, but as *against*, all the rest of mankind. In a sense, too, and valid enough, the ship and railway may be cut in half, each man taking his share and going his way, absolutely secure in the possession of his own—no man presuming to stand forth and say him nay. So, two, ten or a hundred men may "run" a farm and make it work well on marine-stock or railway-corporation principles. But are they not the owners of their farm? Does not each stockholder feel that he has, if not a divided, at least a divisible interest in the concern, and that he has the right, unless forfeited by his own act, to take it when, and do with it as he pleases? Is this what Mr. George means

by common property? Is this the "common property" that is to secure "to the poorest child born among us an equal right to his native soil"? (P. 354.) If not, the ship and railway systems have no place or pertinency here as illustrations of his doctrine—much less as arguments in support of it.

Rent may be confiscated and "the whole value of land may be taken in taxation" to be held by the Government, "for public uses." (P. 371.)

That is to say: that portion of the produce of labor that stopped, as rent, with the landlord, now goes on to the Government which is, in some way, not defined by Mr. George, to be returned to the laborer (after, of course, deducting cost of oil for lubricating the Government machinery) as his reward for "labor done and performed." Otherwise, how is the desiderated "increase" of the laborer's wages to be realized? Nor does Mr. George's scheme provide for the difficulties which might arise, to obstruct the execution of his plan, from the fact that the official trustees of this vast mass of wealth, the Government, are a "banditti," held to a faithful execution of their trust only by that form of the ineradicable sense of honor which, he says, prevails among thieves.

If the abolition of property in land could make one honest man grow where a hundred scoundrels now wax fat and kick, the expedient could not be adopted too soon. That is a consummation to be sought at any cost. Unless something of that sort comes in when land-titles go out—unless the “banditti” are abolished with the “private ownership,” or before “confiscation” begins, there will be room for a doubt whether the laborer will be the gainer by having the products of his toil taken from the pockets of the rapacious landlords, to go a progress through the hands of a “banditti”—with whom the “higher law” is, the code of “honor among thieves.” But the people will look after them? *Will* the people do that? The people had better look a little after itself first. The people that elects prize-fighters to Congress, and convicted felons to State Senates, “by large majorities,” is not *mis*represented by its chosen “banditti.” The robbers are among them and of them. The first problem is: “What rhubarb, senna, or what purgative drug, would scour these *rascals* hence?” Unless Mr. George can show that “confiscation of rent” contains “some sweet, oblivious antidote” for the scoundrelism of the age, he might as well throw his physic to the dogs.

"The law of society is, each for all, as well as all for each." (P. 391.)

That is what the law of society should be; but we have heard it put this way: "Every man for himself and the devil take the hindmost!"

"For this simple devise of placing all taxes on the value of land would be in effect putting up the land at auction to whomsoever would pay the highest rent to the State." (P. 392.)

To whomsoever would and *could*. To whomsoever has, by "industry, thrift and skill," saved the wherewithal to bid the highest. But what is to become of the poor bidder who would and could not? He falls to the rear — and to thinking, possibly, of the beauty of the maxim: "Land, liberty and equality."

And will not the rent so paid to the State then, as before, come from the products of labor? Does this look like giving the laborer the full return of his labor? But the answer is, the State takes it only to give it back again after deducting the cost of running the State machinery. Then what the laborer gets will show what of his wages is left after having run the gauntlet of a "banditti." "But the State must be honest!" By what compulsion must it? "Honest, my lord?" That is, one State picked out of ten thousand. An honest State, and all that

that implies—an honest people—would spare us Mr. George's heroic remedy.

"If I have worked harder and built myself a good house while you have been contented to live in a hovel, the tax-gatherer now comes annually to make me pay a penalty for my energy and industry, by taxing me more than you." (P. 390.)

But if I be *permitted* to work harder and build myself a good house, while you are permitted to be content with your hovel; if I be permitted to reap the advantage of my saving, while you are forced to pay the penalty of your waste; if "industry, thrift and skill," † (p. 391) † the cunning hand, and the still-more-cunning brain, are to have their "natural reward full and unimpaired," (p. 391,) what becomes of the "equality" upon which so much stress has been laid, as essential to the happiness of men—the cure of poverty—and which, as we have elsewhere shown, is in fatal antagonism with its companion epithet, "liberty"? If the "might" of skill is the right of a man, the might of his muscle has equal claim to be respected. Either there must be no superior industry, thrift and skill tolerated, or they must be denied their "natural reward full and unimpaired," or there must be no *equal* distribution of wealth. "Under which king, Bezonian?" Unequal skill and an equal share of this world's goods are simply

impossible in a community where "all would be free to make or to save, to buy or to sell." (P. 390.) The shrewd buyer heaps up his gains; the outwitted seller goes to the wall. "He that hath, to him shall be given: and he that hath not, from him shall be taken even that which he hath."

"I have saved while you wasted;" (p. 390); shall I be denied the fruit of my superior skill and thrift? Not according to Mr. George.

It is impossible not to see that liberty is the cause of inequality. Absolute equality is an equality of Procrusteanism. It was the liberty to grow that made Saul rise "among his brethren — taller and fairer." And the same liberty that permits a man to grow taller than his fellows, leaves him free to grow wiser, shrewder, richer, mightier, and to use all these superior qualities for his own profit and behoof, "as against all the world." Is it not the baldest folly to talk of liberty and an equal distribution of wealth? Who shall hamper the better-born in the use of his better faculties, or deny him the "reward of his superior industry and thrift"? It would be a crime to level downwards. It is impossible to level upwards, so long as Nature is partial in her gifts. The command upon all seems to be: "Seek that ye may excel." If one

may "covet earnestly the best gifts," he may use his best gifts to compass his ends, and never be contented with being the *equal* of the common herd. "*Hunc atqui hunc superare laboret.*"

In the light of this undeniable truth, what credence is to be given to the statement, that

— "to relieve labor and capital from all taxation, direct and indirect, and to throw the burden upon rent, would be, as far as it went, to counteract this tendency to inequality, and, if it went so far as to take in taxation the whole of rent, the cause of inequality would be totally destroyed." (P. 395.)

Or, if destroyed, what becomes of the "natural reward of industry, thrift and skill"?

Tax on rent is the Procrustean bed that is to make of one measure all the men of all the nations of the earth!

"American invention, American aptitude for labor-saving processes and machinery are the result of the comparatively high wages that have prevailed in the United States." (P. 399.)

Then there *must* be some antagonism between wages and machinery, for it is to get round the high wages, that the machinery is contrived. The machine that does the work of ten men, saves the wages of ten men to the contriver. But if the labor of the ten men cost less than the machine and the expense of running it, the ten men will get the work and the wages, and the machine will not be contrived,

or, if contrived, not used. There is antagonism, competition, then, between wages and machinery, although machinery be capital, and Mr. George tells us, that there is no conflict of interest between capital and labor; indeed, that "capital and labor are the same thing." The increase of wages recoils in decrease by stimulating invention—and the equilibrium settles again to bare-living wages, determined by the capacity of the machine. If it cost but four dollars a day to run the machine that does the work of ten men, the ten men must do the work for four dollars, or stand aside for the machine. For, to get the most work for the least pay, is no less a law of Political Economy than is the law of least exertion—nay, it is the same law differently stated.

When Mr. George says that "American invention, American aptitude for labor-saving processes and machinery, are the result of the comparatively high wages that have prevailed in the United States," he might have added: and the cause of the decline of wages; that is, the labor-saving processes, the substitution of machines for hands, have prevailed over the high wages, as they were meant to do. And thus, again, still without recourse to Rent, he finds solution of his problem, as stated in the inquiry with which

he opens his book, in the products of "Yankee ingenuity."

Now, bringing some of Mr. George's random utterances within hearing distance of one another, let us hear how they sound!

To beat the laborer out of his high wages, (that is, to get as much work for as little pay as possible,) American aptitude "invents" a machine that does the laborer's work. We see how straight the line is in which high wages stimulated Invention to do this thing. But there can be no invention without "freedom." (P. 473.) But, again, we have seen that invention is fatal to high wages. Therefore, Freedom, which, instead of Necessity, is the mother of Invention, is fatal to high wages. Hence, to keep up wages, we must smash up the machines; or, what is the same thing, we must abolish freedom, which not only makes the machine possible, but "is the synonym of equality, the stimulus and condition of progress." (P. 475.)

What are we to do? High wages, according to Mr. George, are to make the laborers' paradise. Either freedom or population, or both, must go. Thus, again, in the direct line of his own logic, is Mr. George brought up in the limbo of Malthusianism. Nay, in something in-

finitely worse—the fearful exigency of a choice between the paradise of high wages and the brutalizing thralldom of freedom. — For, freedom is the mother of invention ; invention, the mother of low wages ; low wages, the mother of poverty ; and poverty, the mother of a servitude worse than that of African Slavery and of a state of vice and crime and debasement beneath that of the savage. One would hardly expect this of Freedom, after the glowing eulogium Mr. George has pronounced upon it, under its synonym of Liberty, on pages 491-493.

On pages 396, 397, Mr. George shows how confiscation of rent is to be for public purposes ; but, how a process, which “virtually abolishes private ownership in land,” (p. 396,) can make a man who desires to secure homesteads for himself and children, “a gainer in the matter of lots,” (p. 403,) without robbing the puniest child, born in the slums of London or New York, of his equal right to a share in the land, is a problem that shows its bloody head above the brim of Mr. George’s caldron, and declines to be put down by any incantation to be found in Mr. George’s book. With what propriety may a man talk about “*his* lot,” or the security of “always having a lot,” or of “selling *his* lot,” if he have no more right to a lot than

the puniest infant that sets up an equal claim and right? Whether born in the slums of London or "ditch-delivered by a drab," the child has as valid a title to anybody's lot as anybody else—which is no title at all for anybody, if private ownership in land be a robbery and a fraud. If the "homestead owner" has "*secured* himself a house and *lot*," with the right to get "a larger lot," from which neither he nor his family can be "ejected," it being all the time "his lot," what is that but private ownership in land? The child either has the rights that Mr. George claims for it, or it has not. If it have, you can no more divest it of it in one way than in another; in part than in all, without a wrong. In which case, our author, who set out, so confidently to show up the nonsense of "the great thinkers," comes out at the same hole whereat he went in.

CHAPTER XII.

JUXTAPOSITIONS.

On page 410, where Mr. George assumes the role of prophet, and a bold one, too, and where he anticipates an obstacle to the fulfilment of his prophecies in the supposed selfishness of mankind, he tells us that "we are apt to assume that greed is the strongest of human motives," and "that selfish interests are always stronger than general interests." But "nothing could be further from the truth."

We are in some doubt as to the "always," never having heard it put so strongly before; and, though it is impossible to see where he draws the line between "selfish interests and general interests," we are inclined to think he means something that he will stick to, and agree with him; especially when he says, "nothing could be further from the truth"; that is, than the assumption that mankind are "always" ruled by selfish motives. We hope that is what

he means, for we want to agree with him sometimes, and our best chance is when we are least sure of what he says.

But if he be right now, what becomes of the all-dominating social law of gravitation—the law of least exertion? What is this, but the law of “self-interest”? (P. 185.) Is not this the very law (p. 184) which Mr. George says is to the social world what gravitation is to the physical; is not *this* the source “whence springs this lust of gain, to gratify which men tread everything pure and noble under their feet,” etc.? (P. 411.)

Again, we find the law of least exertion overborne by the “love of approbation,” which not only “triumphs over the love of ease,” (another name for “least exertion,”) but also “over the sense of pain,” and even “the dread of death.” (P. 412.) “‘All that a man hath will he give for his life’—that is self-interest. But in loyalty to higher impulses men will give even life.” (P. 415.)

“Call it religion, patriotism, sympathy, the enthusiasm for humanity, or the love of God—give it what name you will; there is yet a force which overcomes and drives out selfishness, a force which is the electricity of the normal universe; a force beside which all others are weak;” (p. 416;)

—even the “*all-compelling law*” of “least ex-

ertion!" (Pp. 184-186, 187-196 — especially the latter.)

"Consider for a moment the vast changes that would be wrought in social life by a change which would assure to labor its full reward; which would banish want and the fear of want; and give to the humblest freedom to develop in natural symmetry." (P. 410.)

Banish "want and the fear of want"; so provide for men that "they need have no more care about physical necessities than do the lilies of the field:" — (p. 415.) how long would it take, under the "law of least exertion," the love of ease, to reduce them to a herd of paupers, accepting their daily allowance of meat and drink at the hands of the Government distributors? But Mr. George thinks we can escape all this by "banishing want" and retaining "desire" — "want might be banished but desire would remain." (P. 419.)

It would puzzle even so sharp a man as Mr. George to tell us what could be the object of desire where there is no want. With nothing lacking, there could not be much to be desired. A satisfied desire is the end — the banishment — of that particular want. An unsatisfied desire is the condition of want. Give the desire the thing it lacks, and the desire ceases to be. "For what a man seeth, why doth he yet hope for?" How want can be banished and desire

remain, is conceivable only to those philosophers who believe a thing can be here and there—or be and not be, at the same time. To say, that the word is here used in the sense of poverty, penury, would be to exchange an absurdity for an ambiguity. Though poverty should be defined, “destitution of the necessities of life,” still, in a world where men do not live by bread alone, what are and what are not necessities of life, would not be an easy question to answer. Even in this sense, banish want—poverty—to the entire acceptance of the victim of it, and the measure of desire that would remain as a “stimulus to exertion” would be too nearly identical with infinitesimality to serve as a foundation for a new system of Political Economy. Not half a dozen lines away from this proposition (“banish want and desire will remain”) Mr. George himself uses the word “want” as synonymous with “desire,” and in a sense exclusive of any reference to a physical necessity. (P. 419.) And on page 455 occur these remarkable words—remarkable when set beside the passages on pages 418, 419.—For example: Look on this picture:

“But it may be said, to banish want and the fear of want, would be to destroy the stimulus to exertion; men would become simply idlers, and such a happy state of general comfort and content would be the death of progress.
. . . Nothing is more untrue.” (Pp. 418, 419.)

And now on this :

"The incentives to progress are the desires inherent in human nature—the desire to gratify the wants of the animal nature, the wants of the intellectual nature, and the wants of the sympathetic nature ; the desire to be, to know, and to do—desires that short of infinity can never be satisfied, as they grow by what they feed on." (P. 455.)

We are a philanthropic people, and we build asylums for men who talk that way consecutively. We call it incoherence—and even by worse names. But with an interval of thirty-six pages, and the time it takes to drive a pen so far, it would be courteous and charitable to set it down to bad memory.

Socrates thought himself unlike the mass of men because he "ate to live while most men lived to eat." Banish want and the fear of want from the vast horde who live to eat, and would there not be just so many "devil's workshops" set up in the land ?

"Short-sighted is the philosophy which counts on selfishness as the master motive of human action." (P. 415.)

But is not this precisely what Mr. George's philosophy(?) does? Is not selfishness the very law of gravitation to his whole so-called system(?) of Political Economy? Is not the law of "least exertion" the "all-compelling law," "without which it would be impossible to calculate upon any human action, the most trivial or important"? (P. 196.)

The all-compelling law *was* "least exertion"; but this, we have just seen, was overborne by the love of approbation; and now we find both superseded by the law of love—the "force of forces." (P. 416.) And pretty soon we shall come to another "supreme law" in the shape of a sentiment of "justice."

But the "force of forces" is not a force to be kept in abeyance by any other force, or combination of forces. Either Mr. George does not mean what he says here, (p. 416,) or what he says is not true. The force that triumphs over the law that is to "human action" what the law of gravitation is to physics, is not a force to "go to waste" or "assume perverted forms," nor to wait upon *us* to "give it freedom and scope." (P. 416.)

We come almost to the 300th page of Mr. George's book with repeated assurance that the law of least exertion, which is the law of laziness and selfishness, is the fundamental law of political economy and social life. But now we are told (p. 299) that the "sentiment of justice is fundamental to the human mind," and we are to look to the dominance of that sentiment for the sanction and adoption of his remedy for social evils. "Whatever dispute," he says, (p. 299,) "arouses the passions of men,

the conflict is sure to rage, not so much as to the question, 'Is it wise?' as to the question, 'Is it right?'" And on page 490 he says, that "Justice is the supreme law of the universe."

Does the history of crowns, courts, battle-fields and fagot-heaps warrant that statement? Does it not fly in the face of the almost universal prevalence of injustice—the almost unexceptional triumph of iniquity?

But, again we let Mr. George reply to Mr. George:

"That amid our highest civilization men faint and die with want is not due to the niggardliness of nature, but to the injustice of man." (P. 306.)

"Vice and misery, poverty and pauperism . . . are the direct and necessary results of the violation of the supreme law of justice." (P. 306.)

And how long and how widely have these things prevailed in the world?

If in *any* of these cases "we still have judgment here," it is by the inexorableness of a law over which the will of man has no control.

"Released from this necessity [by the banishment of want and the fear of want] men would but work the harder or the better, for then they would work as their inclinations led them; [in spite of the law of least exertion?] then would they seem to be really doing something for themselves or for others. Was Humboldt's life an idle one? Did Franklin find no occupation when he retired from the printing business with enough to live on? Is Herbert Spencer a laggard? Did Michael Angelo paint for board and clothes?" (P. 420.)

Did Franklin *go in* to business when he had enough to live on?

The force and fitness of these examples, are to be seen in the supposition that Mr. George is writing Political Economy for communities composed of Humboldts, Franklins, Spencers and Michael Angelos. Still, it is to be observed that neither of these men waited for the inauguration of the new system of social adjustments to become what they were. They did not wait for circumstances to make them—they were themselves circumstances. Such men are not the slaves of environs—they break through the shell of “social adjustments” and make way for themselves. Notwithstanding Mr. George’s attempt to argue away the inborn differences of men (p. 421)—attempts which aim to show that the main differences between a Shakspeare and a Digger Indian are due to their “environment”—“social adjustments”—we cannot forget that the eagle and the goose, the vulture and the dove, Michael Angelo and Slugger Sullivan are hatched into the *same world*, and that the men who have made the greatest marks in it were not those who were ushered into it under the most apparently auspicious circumstances or “environment.”

That poverty is debasing, that it might in time, descending through generations, even “change the stamp of Nature,” transforming

possible Miltons, Platos and Homers, or Garri-
sons, Sumners, Emersons and Wilberforces, in-
to pirates, sneak-thieves, cutthroats or Calibans,
it is not impossible to believe; yet it would be
as difficult to fix the number of those who have
been kept down and crushed out by it, as it
would to reckon the host who from the height
of great achievement can look back down the
path of their ascent and truly say, "Sweet are
the uses of adversity."

After having it almost burned in upon us that
men shun work with an impulse as irresistible
as the law of gravitation, we are suddenly in-
formed, (p. 420,) that, "labor in itself is not re-
pugnant to man,"—that the "natural necessity
for exertion" is not the curse, but "labor which
produces nothing." "The fact is," he says,
"that the work which improves the condition of
mankind," "extends knowledge," "increases
power," enriches literature, and elevates thought,
is not done to secure a living.

"It is not the work of slaves driven to their task either by
the lash of a master or by animal necessities. It is the work
of men who perform it for its own sake, and not that they
may get more to eat or drink, or wear, or display. In a
state of society where want was abolished, work of this sort
would be enormously increased." (P. 420.)

For instance—? "The rest is silence."

If Miss Bacon be wrong and Shakspeare not
a myth, his case is not an argument for Mr.

George. If Shakspeare wrote and acted in the Globe Theatre for "work's own sake," why did he quit and retire as soon as he had laid up enough to make the bread of the future sure? Franklin began by working for his bread; very likely Spencer did, and Michael Angelo, too, for such bread as they needed; but whether they continued in it "for the work's own sake," or for wealth, or fame, or for the *sake* of their fellow-men, or for a "wreath of wild olive," or a "bit of ribbon," (p. 415,) may all be well known to Mr. George, for, if he can see as far into the past as he professes to see into the future, there is not much there that is hid from him; but it is not so clear to us. Still, if "the fact is" as Mr. George puts it, he must have been wrong in saying that it was the *prize* of the Olympian games that "called forth the most strenuous exertions of all Greece."—The runners ran for the sake of the running, and not for "meat, drink or display." (P. 420.)

How many of the great men of the world should we ever have heard of, had they not been started on their career by the needs of their animal natures? Says Mr. George :

"How few are the thinkers, the discoverers, the inventors, the organizers, as compared with the great mass of the people! Yet such men are born in plenty; it is the conditions that permit so few to develop."

It is proverbial that great occasions call forth great men ; that they rise to meet emergencies ; that " necessity is the mother of invention," and the cause of inventors. But according to Mr. George, these emergencies and necessities are all hindrances, and that in their absence " discoverers, inventors and organizers " would be as plenty as blackberries.

But is it not in order, to ask, how the *all*-dominating law which compels men to gratify their wants with the least exertion, would operate in a world from which all want and even the fear of want were banished. With no wants, and their passions left, (if such a state be not an obvious absurdity,) would there not be plots and counter-plots, with no end of back-biting and hair-pulling? And would not the proverb yet remain, that " Satan finds some mischief still for idle hands to do " ?

But let us return to the pages where Mr. George lifts up his voice *en prophète*, and see how things " would be " with man transformed by " Land and Liberty," and a banditti for depositaries of the confiscated rents.

He cannot

—" without too much elaboration . . . notice all the changes which would be wrought, or would become possible, by a change which would re-adjust the very foundations of society."

That *looks* like a pretty large job; still Mr. George shrinks from it only because it would be "too much elaboration." However, we are to have "some of the main features" of the "good time coming" upon the inauguration of the Georgian era, and the consequent "cessation of want."

We epitomize :

1. Great simplicity in government. — From three-fourths to seven-eighths of the public business would be "dispensed with."

2. A great strain would be taken off the administration of justice — there being no lawsuits on account of land.

3. The "growth of morality" and especially the abolition of laws for the collection of debts, and enforcement of private contracts, would diminish civil business in the courts.

4. The rise of wages would soon purge society of the thieves, swindlers and other classes of criminals, who spring from the unequal distribution of wealth; on the supposition, we suppose, that when all have all they want no one will want to steal from his neighbor; that is to say, speaking phrenologically, the "propensity to steal" will go out when the millennium comes in.

5. "Policemen, detectives, prisons and peni-

tentiaries," "would cease to make such a drain upon the vital force and attention of society."

6. "We should get rid, not only of many judges, clerks, and prison-keepers, but of the great host of lawyers who are now maintained at the expense of producers," [and who "lade men with burdens greivous to be borne, but touch not themselves with one of their fingers."]

7. All the departments of government would "be vastly simplified;" no public debts; no standing armies; no tax on labor; "growth of intelligence and independence among the masses," and realization of "the dream of socialism."

8. Government could take care of the telegraph as well as of the mails; build and run the railroads, and the common roads, too, "without danger or strain, under the supervision of public attention."

9. There would be great and increasing surplus revenue "for material progress"—[and the delectation of the banditti?]

10. There would be "public baths, museums, libraries, gardens, lecture rooms, music and dancing-halls, theatres, universities, technical schools, shooting-galleries, [what for?] playgrounds, gymnasiums, etc. Heat, light and motive power, as well as water, [milk, honey and lager beer?] might be conducted through our

streets at public expense; our roads be lined with fruit trees; discoverers and inventors rewarded, scientific investigations supported; and in a thousand ways the public revenues made to foster efforts for the public benefit."

11. "We should reach the ideal of the socialist, but not through governmental repression."

12. "Government would change its character, and would become the administration of a great coöperative society. It would become merely the agency by which common property was administered for the public benefit."

"Does this seem impracticable? Consider for a moment the vast changes that would be wrought by a change which would assure to labor its full reward; which would banish want and the fear of want; and give to the humblest freedom to develop in natural symmetry."

As Mr. George nowhere propounds a theory or posits a "fundamental principle" which he does not himself retract, refute or contradict, so, in this instance, the whole drift and tenor of his book are proof of the utter impracticability and absolute fatuity of this school-girl dream which, with an inconceivable obtuseness to the flagrant inconsistency, he has sandwiched in between the law of least exertion (selfishness) and a people so hopelessly debased and corrupt,

that it cannot be aroused to a sense of even the need of reform, and is waiting only "for the ploughshares of fate to bury it out of sight."

After painting the devil about as black as printers' ink can make him, Mr. George has the effrontery to ask us to appoint his sable majesty receiver of the confiscated real estate of this nation, and to expect him to set up Mr. George's Utopia on the site of it.

Mr. George is leading some very unsophisticated people up into an exceeding high mountain, and when they get their eyes open and look well about them, as they are surely ordained to do, we much misjudge their temper — the temper of the rank and file of his following — if Mr. George be not one of the first to hear something drop.

Over against this fancy sketch of Mr. George's let us set the following, from the writer, Mr. Bunce, already cited, in *The Popular Science Monthly*, (Feb., 1887,) who has both the nature of man and the history of all the past to attest the wisdom of his words. Evidently referring to the passages we have last quoted from Mr. George's book, Mr. Bunce says:

"The good that is pictured is a dream, whereas the evil would be immeasurable; when we had finally settled down to the new conditions we should contemplate some such picture as this: All the farm-lands in the country in a condition

of shameful neglect, and their productiveness seriously decreased; State tenants going from farm to farm, cultivating the fields solely for their immediate yield, neither planting orchards, nor fertilizing, nor keeping in repair fences or drains. The ambition to improve would be paralyzed, and the desire to keep up the productiveness of the acres to a standard would no longer exist. As soon as one piece of land would be exhausted, the tenant would move to another. Every motive for careful cultivation and preservation would be replaced by motives for immediate profit. These conditions would follow any form of national ownership; but if George's tax of rental value were strictly enforced, there would be no inducement, as I have elsewhere shown in this article, to work the land at all. In towns or cities, or where land is used for commercial purposes, we should see rent paid just as it is now, but to the State instead of to individuals. The only difference would be, that all taxes would fall on land; houses, bonds, mortgages, stocks, personal effects would be untaxed; that is to say, the greater part of most rich men's possessions would be unburdened, but rent would remain just as it is now, and enter into the price of commodities just as it does now. As the scheme is to tax up to the rental value, this rental value would be what competition and demand made it. Favorable situations would be bid for and go to the highest bidder, and consequently the poor would be pressed to the wall as much then as now.*

"Nor is this all. Under such an enormous enlargement of the powers of Government, jobbery and corruption would have a field for its operation such as the most sanguine Tweed never dreamed of. Our politicians would have all the corner lots, all the choice situations. And then, if the rents should prove to be in magnitude what Mr. George supposes, think of the funds that would lie in the State treasuries as tempting reserves for schemes and devices of speculators and law-makers!"†

* Mr. Bunce forgets that there are to be no "poor" in Mr. George's kingdom—that poverty is to be abolished and "want and the fear of want" unknown.

† Again Mr. Bunce seems to forget, that the "thieves," "swindlers," "lawyers," "and other classes of criminals,"

Mr. George delights in saying startling things. He seems to be struggling with a painful sense of the necessity of being original, impressive and striking—not to say sensational. It seems as if he sometimes thought that seeing things differently from other men — the “great thinkers,” for example — is the same as seeing farther than other men. At one time we are told that exertion goes so against the grain of human nature, that the most important, as well as the most trivial, calculations of human action must be based on the law that men will make everything bend to the saving of effort in the gratification of desire. And then we are told that labor is not repugnant to man, that men even perform work for its own sake. (P. 420.) But “there is no such thing as the pursuit of pleasure for the sake of pleasure.” (P. 419.)

If work be performed for its own sake, because it is not a task, but a pleasure, it is hard to see why it is not done for the pleasure of it, a pleasure pursued for the sake of the pleasure, especially as it is not pursued to “get more to eat, or drink, or wear, or for display.”

Mr. George thinks it no more than right that

are all eliminated from Mr. George's land of milk and honey. And the hocus-pocus that is to transform this seething mass of corruption into an assembly of saints, or of just men made perfect, is “association in equality.”

men should gather, have, hold and enjoy of this world's goods in proportion to their industry and skill or intelligence; a concession fatal to his idea of equality of distribution, and indicative of individual differences in capacity; though he thinks it vulgar and absurd to suppose that differences in civilization are due to differences in race capacity. (Pp. 430 and 440.)

On page 439, he says that it is

—“an obvious truth that the obstacles which finally bring progress to a halt are raised by the course of progress; that what has destroyed all previous civilizations has been the conditions produced by the growth of civilization itself.”

What does history indicate those conditions to have been, but “banished want” and the banished “fear of want,” and the ensuing ease, luxury and relaxation which emasculate a people? They rose by the hardships which invigorate and develop. The wants and difficulties which challenge effort, compel exertion and make men stout, robust, hardy and brave, once removed, exertion flags, the law of least exertion asserts itself, effeminacy follows; and degeneration, decay and death of *men* and of nations ends the strange eventful history.

From which one might infer that the luxuries of life are the leeches of it; that the diffusion of wealth is the spread of death — slow but sure; that the longevity of a people is measured by

the period during which it can recruit itself from the hardy elements below. When abundance "banishes want and the fear of want" from this source of recuperation, nothing remains but for luxury and the "law of least exertion" and the ploughshares of fate to finish their work.

Mr. George does not attach great importance to "the influence of heredity." It is "as nothing compared with the influences which mould man after he comes into the world."

"What is more ingrained in habit than language, which becomes not merely an automatic trick of the muscles, but the medium of thought? What persists longer, or will quicker show nationality? Yet we are not born with a predisposition to any language." (P. 440.)

How does Mr. George know that? Why not be born with a predisposition "to any language" as well as with a predisposition to lie or steal, or to scrofula or consumption? Is there any subject upon which Mr. George is too diffident to speak oracularly? Has he sounded the depths of metaphysics, too, and found "the law" of the relation of mind and matter? It would not surprise us. We may hope much from the sage who can trace the "law of interest" to an "everlasting flux."

Have not habits, some of them, at least, their foundation in inherited tendencies? And do they not exhibit themselves before any post-

natal mouldings can take effect? * If the articulation of one language require a different set of nerves and muscles, from another, it is plain that there might be a tendency to an inherited predominance of those special nerves and muscles. And the same would be the case where only a different *mode* of the same sets of nerves and muscles were required. We have the authority of a late professor in one of our Western colleges for the fact that an orphaned "cockney" infant, brought up by him, as soon as it began to speak, made the same havoc with the *h*'s that its parents did, though it had never heard a word so spoken by either of them — or any other person. We have read, too, that it is also a fact that the puppies of dogs which "point" and "set" from training only, point and set instinctively, showing, if it be true, that a faculty acquired from education, by the progenitor, is inherited, at least in tendency, by the offspring. The captured Indian baby, brought up in civilized society, grown up, takes to the woods as instinct-

* Would it be wholly without scientific warrant to presume pre-natal vocal adjustments adapted to the articulation of French, English or German syllables, according to the language of the progenitors? Would Mr. George say that it was the fault of the nurse or "schoolmarm" only, that the Ephraimites could not pronounce the shibboleth of the Gileadites?

ively as a hen-hatched duck takes to the water,
and

—"like the fox;

Who, ne'er so tame, so cherish'd and lock'd up,
Will have a wild trick of his ancestors."

Mr. George says : (p. 443:)

"I once knew a gentleman in whose veins ran the blood of Indian chiefs. He used to tell me traditions learned from his grandfather, which illustrated what is difficult for a white man to comprehend—the Indian habit of thought, the intense but patient blood-thirst of the trail, and the fortitude of the stake. From the way in which he dwelt on these, I have no doubt that under certain circumstances, highly educated, civilized man that he was, he would have shown traits which would have been looked upon as due to his Indian blood; but which in reality would have been sufficiently explained by the broodings of his imagination upon the deeds of his ancestors."

But what prompted the "broodings of his imagination," and whence the "Indian *habit* of thought"? Were the "traditions of his ancestors" the cause of them or only the occasion of them? We should say that they simply ministered to a mind forecast for them, to an already hungering and blood-thirsty soul. The paleface who hears or reads the same traditions, is not infected with the Indian thirst for the trail and blood, any more than do all boys who read the "Pirates' Own Book" want to be pirates. We think there are quite as many who shudder and abhor, as who admire and seek to emulate these blood-stained heroes. Mr. George

"can cite Scripture for his purpose." Why not recall to mind here the parable of the seed and the sower — the good and the stony ground? He refers to facts (p. 444) which are conclusive evidence of the doctrine he denies, and then evades their force by a denial of that which no one affirms, though as to the *h's* one might safely do so. He says :

"But these differences are certainly not innate. No body is born a Methodist or a Catholic, to drop its *h's* or to sound them."

But he does not, and probably would not, deny the innateness of a *tendency* to be a Methodist or a Catholic. The courage that is equal to an attempt to hoodwink his readers by a trick of words, is not quite equal to so bold a denial as that. And yet he does not fall far short of it when he says :

"All these differences which distinguish different groups are derived from association in these circles."

Mr. George might as well have said that all the differences in complexion; that black and blue eyes, white, black and copper-colored skins; the leanness of Cassius and the fatness of Daniel Lambert; are "all derived from association" in different circles; that the negro's skull is twice as thick as the Caucasian's, because he has kept twice as bad company. He says :

"You cannot fatten a man whose mind is on the strain by cooping him up and feeding him as you would a pig." (P. 445.)

Why not, if you "coop him up" in the right "circles," and subject him to the proper "associations"? *

"All our physical parts we bring with us into the world; but the mind develops afterward." (P. 446.)

Does Mr. George wish us to understand, that we bring with us into the world no mind because it *develops* afterward? Or does the mind even develop *afterward* any more than the hair, teeth and other "*physical* parts"? The plain implication is, that we do not bring our minds with us into the world, but only our physical parts. Only six lines away, however, we find the contrary implication, that we do bring our mind with us, but in a comatose state, to "awake to consciousness" afterward.

"There is a stage in the growth of every organism in which it cannot be told, except by the environment [environs?], whether the animal that is to be will be a fish or reptile, monkey or man." (P. 446.)

Or whether, of these two eggs, one will be a goose and the other a crocodile—except "by the environment"! And the inference is (this

* But, perhaps, Mr. George has a sly mental reservation as to the difficulty of "cooping up" a man whose "mind is on the strain."

or nothing) that by an opportune change of the environs of the undistinguishable "organisms," the goose-egg may be developed into a crocodile, the tadpole into a turtle-dove, the fish into a boa-constrictor and the monkey into a man. For the innate tendency "is as nothing compared with the influences which mould the man after he comes into the world." (P. 440.) As the boy-murderer, Pomeroy, for example.

"There is a stage in the growth of every organism in which it cannot be told, except by the environment, whether the animal that is to be will be fish or reptile, monkey or man. And so [mark this '*and so*'] with the new-born infant; whether the mind that is yet to awake to consciousness and power is to be English or German, American or Chinese—the mind of a civilized man or the mind of a savage—depends entirely upon the social environment in which he is placed." (P. 446.)

"Entirely!"—This *might* be so in the case of a swap of environs (not "environment") with an infant Bacon and an infant Aztec, ~~or~~ Australian or Fejee; but it does not work that way with the duck's egg in the hen's nest. Here environs do not count. Here lies the water; good: here stands the duck; good: Old mother hen flutters in vain; will she; nill she—the duck goes to the water; "mark you that." Yes, "upon instinct; I grant the instinct," against which environs protest in vain.

"Just as one social environment persists, so does it render it difficult or impossible for those subject to it to accept another." (P. 448.) "That they [the Chinese in California] do not change in other respects is due to the Chinese environment that still persists and surrounds them." (P. 448.)

But what, if not some inherent quality, causes the persistence? How came the "Chinese environment" there? They did not find it there when they came. Then they must have brought it with them and set it up for themselves.

But, perhaps, we have been too rash in taking our author at his word, and may yet find that right there where he appears the most express and most assured, he seems the least to mean what he says. There is, indeed, now and then, something of the abnormal energy of a spasm in his dogmatism, which, in the ensuing reaction, lies as limp and flaccid as a saturated dish-clout.

On page 440 he says:

"The differences between communities in different stages of civilization cannot be ascribed to innate differences in the individuals who compose those communities. That there are natural differences is true, and that there is such a thing as hereditary transmission of peculiarities is undoubtedly true; but the great differences between men in different states of society cannot be explained in this way. The influence of heredity, which it is now the fashion to rate so highly, is as nothing compared with the influences which mould the man after he comes into the world."

And on page 445 :

"Within certain limits (or, if you choose, without limits in itself), hereditary transmission may develop or alter qualities, but this is much more true of the physical than of the mental part of man, and much more true of animals than it is even of the physical part of man."

And on page 446 :

"And so with the new-born infant, whether the mind that is yet to awake to consciousness and power is to be English or German, American or Chinese—the mind of a civilized man or the mind of a savage—depends entirely on the social environment in which it is placed."

And on page 447 :

"The Jews have maintained the purity of their blood more scrupulously and for a longer time than any of the European races, yet I am inclined to think that the only characteristic that can be attributed to this is that of physiognomy."

Now, all this is clear, precise, rather emphatic and somewhat sweeping; so much so that one feels not a little taken aback when he finds it all "flatting out" into meaning only that "human character is profoundly modified by its conditions and surroundings"; or that "there is a common standard and natural symmetry of mind, as there is of body, towards which all deviations tend to return." Yet so it is; and the "turn back" is no less violent than the dash ahead. Witness the following:

"I do not mean to say that all men possess the same capacities or are mentally alike, any more than I mean to

say that they are physically alike. Among all the countless millions who have come and gone on the earth, there were probably never two who either physically or mentally were exact counterparts. Nor yet do I mean to say that there are not as clearly marked race differences in mind as there are clearly marked race differences in body. I do not deny the influence of heredity in transmitting peculiarities of mind in the same way and to possibly the same degree, as bodily peculiarities are transmitted. But nevertheless, there is, it seems to me, a common standard and natural symmetry of mind, as there is of body, towards which all deviations tend to return." (P. 452.)

As evidence and example of this tendency of all deviations to return to a common standard, he cites the case of the Flathead babies which, he says, "continue to be born with naturally shaped heads, and Chinese babies with naturally shaped feet;" but he does not show, that this reverting tendency to overcome a mere mechanical displacement, is ever strong enough to wipe out national characteristics, to convert the head of a Flathead Indian into a Caucasian type, or to erase any of all the grades of difference that stand between extreme idiocy and the most exalted genius. And when he says: (p. 453:) "A child does not any more inherit his father's knowledge than he inherits his father's glass eye or artificial leg," (or, he might have said, "any more than the Flathead Indian inherits the boards and thongs that flattened the heads of his progenitors;") he does not furnish

any argument against the doctrine of hereditary transmission of faculties and affectional tendencies, ("propensities,") and, hence, leaves us quite in the dark as to his object in making the statement at all. For, he is careful not to deny, that the child inherits a brain that is the better for his father's knowledge and discipline. And again, when he says: "The child of the most ignorant parents may become a pioneer or a leader in thought," (p. 453,) he deals a heavy blow at his doctrine, that innate qualities are as nothing compared with post-natal influences. (P. 440.) As a rule, the condition, environs, of "ignorant parents," (p. 441,) is such as to tell rather heavily against the development of their offspring. And the multitude of the great men of the world who have overmastered their outward conditions of birth, goes to show that innate qualities make short work of environs when they once get at them.

Still, Mr. George does not make much account of these innate differences as qualifying agencies in the constitution of society. They have little or nothing to do with differences of civilization; (p. 453;) between the savage and civilized man, *these* differences are not the result of differences which inhere in the individuals, but of differences which inhere in society;

not from differences in the units — the elements — but from “differences in the conditions under which these units are brought in the society.” (P. 453.) As the first Chinese into California, for example!

But may we not ask, under what conditions these units could be brought into society save such as they constitute for themselves? Is society a compound endowed with properties not supplied by its constituents? Since it is not such a compound, and since the woof and warp of the “web it weaves” are the individual members who compose its texture — the entire fabric — Mr. George’s figurative language about it, however pert or poetic, is quite aside from the language and purpose of science.

This whole chapter upon the “Differences in Civilization” is puerile and trifling to the extent of being nothing less than an insult to any reader of average intelligence and reasoning faculty. Of the many absurd and weak things in his book, this chapter is the weakest and most absurd. And yet Mr. George seems to think it essential to the validity and completeness of his argument against the existing order of things — or rather to the vindication of his cure for the evils of it. That is to say, the keystone of his system is this George-inflated and George-punc-

tured bag of wind. You have only to "confiscate rent" to transform the Caribs, Hottentots, Digger Indians, Fejees and Flatheads; the Robert Kids, Tweeds and Guiteaus of the world into Shakespeares, Miltons, Newtons, Howards, Wilberforces, Luthers, Humboldts, Franklins, &c., "world without end."

CHAPTER XIII.

EQUALITY AND PROGRESS.

ON page 457 Mr. George tells us, that "equality (or justice)" the second essential of progress — "association being the first:" — that equality, justice, freedom and recognition of the moral law signify the same thing. He says also (p. 457) that "as conflict is provoked, or association develops inequality of condition and power, this tendency to progression is lessened, checked, and, finally, reversed."

It may be true that justice, and *obedience* to (not "recognition of") the moral law, are the same thing; but to our mind it is clear that the terms *equality* and *freedom*, instead of meaning the same thing, are utterly incompatible with each other. The moment men are free to use, untrammelled, their natural powers of mind and body, to "avail" themselves of their "industry, skill, frugality and intelligence," (p. 274) — the "comfort of each" being "proportioned to his

energy and intelligence," — that moment is "inequality of condition and power" set up, and must continue, whether "progression be lessened" or promoted by it, just so long as men come into the world with unequal gifts and have the freedom to use them. The most powerful incentive to exertion is desire to excel, to assert and maintain superiority. After the demand for physical necessities is met, it is the sole stimulus to effort. Ambition in any sphere of action does not aim at equality, but at inequality—at excellence. Its whole purpose and endeavor is to "get the start of the majestic world, and bear the palm alone;" to get "ahead," and keep ahead. It is the glory of a man, not to catch up with, but to go beyond another; to run *faster*, jump farther, climb higher, dive deeper and come out dryer than another—no matter how *little*, so it be enough to put the other *under* or *behind*. All the merit, all the honor lies in the half inch that wins; all the disgrace, mortification and chagrin in the little lack that incurs defeat. The prize, the praise, the plaudits, "the pudding," are all for the winner in the race of life; no matter how well the loser has done, nor by how little he has lost. A "neck" is as good as a rod. To trot a mile in "2:40" was once a feat

of the turf to startle the world into "Bravos!" and clapping of hands! Afterwards, the owner of the horse that could do it in 2:13 was an object of universal fame and envy till he was flung into disgrace and oblivion by another whose trotter could do it in 2:12½. All is won and all is lost by half or even a quarter of a second. Each one plays the game to beat. To be in some respect the "better man," is the ruling motive, from the "Duke's wrestler" to Julius Cæsar, from Tom Hyer to Napoleon Bonaparte. Not to be equal, but superior—the *first* at the feast in the synagogue:—if not the first in Rome, then in "yonder village." This is human nature. Confiscation of rent will not change this. No change of environs will change this. *Coelum, non animum mutant, qui trans mare currant.* Yet the equality which Mr. George's scheme contemplates, requires all this. The human nature itself must be changed. Not only human, but all nature. Man must not only be born again, but his remotest ancestor be reconstructed—and the very constitution of the planet on which he lives, moves, and has his being. The equality of Mr. George's theory is not equality in some one on many particular things, but equality in all things—a physical and a moral impossibility.

On page 457 we are informed that, "association in equality is the law of progress."

Again we ask, how does Mr. George *know* that? Where is his proof or example? Where ever was the people that associated in equality? Mr. George's dogmatism is becoming offensive. One begins to rebel with a feeling of resentment at the insolence which is so constantly taking him for an ignoramus or an idiot. Mr. George expects you to believe him when he tells you that "association is the first essential of progress"; — that "association in equality is the law of progress"; and also, when in the next breath he declares that, "association develops inequality," which is fatal to progress.

"But just as conflict is provoked, or association develops inequality of condition and power, this tendency to progression is lessened, checked, and finally reversed."

One meaning of which is, that there is no inequality of condition or power till conflict or association develops them. And being in the alternative, we see that either, without the other, may develop inequality. But "association in equality is the law of progress"; and "association develops inequality" which is the end of progress—and thus association in equality is both the law of progress and of stagnation and retrogression.

However incomprehensible this may seem to us, Mr. George, of course, has that penetrative vision into the heart of things which makes it all plain to him.—

„Trauben trägt der Weinstock,
Hörner der Ziegenbock !
Der Wein ist säftig, Holz die Reben,
Der hölzerne Tisch kann Wein auch geben.
Ein tiefer Blick in die Natur !
Hier ist ein Wunder, glaubet nur !“ *
M e p h i s t o p h e l e s.

The vine bears grapes:
The he-goat horns !
Wine is juicy, the vine is wood ;
So, the wooden table yields wine.
Only a deeper glance into Nature !
Here is a miracle — only think so !
Mephistopheles.

But, again, how can there be conflict in equality? How can there be conflict where the issue of it is foreseen to be a “drawn game”? If two pull or push against each other under “equal conditions,” with equal weight and force, which will first give way? “Answer me that, Master Brook!” Why, neither. Then there is no motion — neither progression nor retrogres-

* Grapes the wine-stem bears,
Horns the he-goat wears !
The grapes are juicy, the vines are wood,
The wooden table gives wine as good !
Into the depths of nature peer, —
Only believe, there's a miracle here !
(Bayard Taylor's translation. P. 132)

sion, but only stagnation — death. And thus the law of progress is the law of death — the only absolute equalizer.

Is it not safe to say, that there is not one fact in the history of the world, to give color to Mr. George's "law of progress"? Or, when was there ever one step of progress made, but by some one who stood higher and saw farther, and strode away from his fellows and his environs? And how many have paid the forfeit of their lives, for breaking away from the established order, and trying to take with them a world that came lagging on behind to build monuments, some centuries afterwards, over their murdered bones!

Since inequality is inevitable, it does not imply injustice. Justice and inequality are as compatible in the relations of social life, as are, in the physical world, the river and the rivulet, the mountain and the molehill, great and small, strong and weak, more and less, rich and poor, and "the diversities of climate, soil, and configuration of the earth's surface." (P. 460.) "Progress" (p. 461) itself is nothing but a getting "ahead" of some person, or state, or thing; and all diversities and differences imply some kind of inequality or condition of advantage. The justice does not consist in being equal, but

in not misusing advantages. Till men are all exactly alike, they cannot be equal in condition. Progress, improvement, success, are all goals challenging to competition in the race ; and the most wonderful thing in the world would be to find any two "among all the countless millions, who have come and gone on this earth," (p. 452,) running with exactly the same speed.

Equality in any of the contests of life, is always "a tie"—a zero of results. "Excelsior" is the motto of all aspiring souls. To this end the noblest virtues are made subservient, and are divinely commended to it. "Every man that striveth for the mastery is temperate in all things." "They all run, but one receiveth the prize. So run that ye may obtain."

This inevitable tendency—or, to use Mr. George's deceptive phraseology, "This constant *liability* to inequality" is "by virtue of what is probably one of the deepest laws of human nature" (p. 462)—a fact which wholly negatives the proposition on page 465, in these words : "But the great cause of inequality is in the natural monopoly which is given by the possession of land."

"But the tendency to inequality, checking real progress from the first, increased as the Roman civilization extended." (P. 469.)

The *tendency* to inequality is the effect of pre-existing inequality, and the triumph of it is the inevitable result of "liberty." This we must reaffirm, in true termagant style, to get the last word at Mr. George's repeated declaration that "Freedom is the synonym of equality."

We ask the reader to recall to mind with what a parade of power and promise Mr. George entered the arena of this discussion ; or rather, how, from his pride of place, he swooped down upon the "great thinkers" who had devoted their talents and lives to the cultivation of the science of Political Economy, as if cutting them into shreds were a mere matter of closing his talons on them ; and how he mammoocked them for their stupidities, absurdities, confusions and ambiguities ; and how he pledged himself to be definite, precise, sharp, clear and conclusive—not so much as granting himself the use of a metaphor ; and, finally, with what a magisterial self-complacency he plumes himself upon having re-cast the principal part of the science of Political Economy ; recalling all these things, and also bearing in mind that Mr. George is writing a treatise on science, and *that* one of the most abstruse and difficult, by reason of its complex and ever-shifting elements ; we ask the reader to peruse and critically consider the following

passages taken from pages 462 and 463 of Mr. George's book :

"Now, this process of integration, of the specialization of functions and powers, as it goes on in society, is, by virtue of what is probably one of the deepest laws of human nature, accompanied by a constant liability to inequality. I do not mean that inequality is the necessary result of social growth, but that it is the constant tendency of social growth, if unaccompanied by changes in social adjustments, which, in the new conditions which growth produces, will secure equality. I mean, so to speak, that the garment of laws, customs, and political institutions, which each society weaves for itself, is constantly tending to become too tight as the society develops. I mean, so to speak, that man, as he advances, threads a labyrinth, in which, if he keeps straight ahead, he will infallibly lose his way, and through which reason and justice can alone keep him continuously in an ascending path.

"For, while the integration which accompanies growth tends in itself to set free mental power to work improvement, there is, both with increase of numbers and with increase in complexity of the social organization, a counter-tendency set up to the production of a state of inequality, which wastes mental power, and, as it increases, brings improvement to a halt.

"To trace to its highest expression the law which thus operates to evolve with progress the force which stops progress, would be, it seems to me, to go far to the solution of a problem deeper than that of the genesis of the material universe—the problem of evil. Let me content myself with pointing out the manner in which, as society develops, there arise tendencies which check development."

The "compact form" of the problem which Mr. George "set out to investigate" was, "Why, in spite of increase in productive power, do wages tend to a minimum which will give but a bare living?"

Its final issue is in the form of the question : How to account for inequality in progress? As if, according to the violent assumption all the way through these lines, there were no inequality until progress developed it ; when the fact is, that inequality is the very condition and prerequisite of progress—that it is the very law and order of growth, development, alteration, decay and death—that all the phenomena of the “material universe,” even the “genesis” of it, are the results of the play of unequal forces. Nevertheless we see how Mr. George *palavers* over his problem in its new shape ; how, after a succession of hems and haws and “so to speaks,” and futile attempts to tell us what he does, and what he does not, mean, and after warning us, that we shall “*infallibly* lose” our way if we go “straight ahead in a labyrinth,” he virtually “gives it up,” or modestly forbears the attempt “to trace to its highest expression the law which thus [?] operates to evolve with progress the force which stops progress,” and contents himself with pointing out certain “tendencies,” etc.

It may seem a pity that Mr. George should have to stop short right here—right on the brink of the solution of a problem, the solution of which would go far to solve the problem of

the genesis of evil. What might he not have done for us, if he had only gone on to trace that law to its highest expression! The cause of "inequality in progress"—poverty in abundance—decrease of wages with increase of productive power—this was what we wanted to know, and we have pulled on through the brambles with Mr. George all this long way, to be told at last, that we shall unmistakably mistake our way if we go straight ahead in a labyrinth. We had learned before, that Mr. George's labyrinth had an "ascending path," for we have always found the "threading" of it "an uphill business"; and we have seen how he can go on and turn back, "wire in and wire out," but are still in the dark as to how one is to go straight ahead in a labyrinth.

We do not wish to be understood as blaming Mr. George for fetching us up so suddenly; we do not see how he could well help himself. It was clearly the best thing he could do under the circumstances. He sees now, if not from the first, that his problem is too much for him; that he has bitten off more than he can chew—and to go quietly and, under a cloud of misty phrases, drop it into a mess of "tendencies," on the ground that it was about as tough as the problem of evil, is creditable to his shrewdness.

And the satisfaction and relief of knowing that his presumption can stop at anything, is some compensation for our disappointment in other respects. Those of his admirers who feel grieved that he did not "trace it up," can comfort themselves with the reflection, that the problem is still there, and that Mr. George "is young yet."

CHAPTER XIV.

A BOOMERANG.

HOWEVER, Mr. George has builded better than he knew. His mystery is an open secret ; and it lies right where he has unwittingly placed it. He has been hunting his spectacles in every nook and corner all the while they were striding his own nose. The root of the evil—of all the ills that attend on poverty, is not in landownership, nor in the niggardliness of Nature, nor in any institution. It is in the nature of man—in the ignorance, selfishness, shiftlessness and unscrupulousness of man ; that is to say, the ignorance that suffers one man to think he can pursue his own well-being regardless of the well-being of others ; the selfishness that tempts him to seek his own well-being regardless of others ; the unscrupulousness that permits him to seek it regardless of the rights of others ; the ignorance, selfishness and unscrupulousness, that make the struggle for ex-

istence a battle for life between man and man, and the weaker the prey of the stronger. Until the rule of action, based upon this misconception of human relationships, be abolished—if not from the world, at least from the minds and methods of those charged with the duty and power of compelling obedience to the law of love and justice, rather than the law of strife and hate; there can be no hope of deliverance from the social evils that oppress and curse suffering humanity. To the regeneration of man, not to the confiscation of rent, or abolition of property in land, should Mr. George address his endeavor. If he think himself as competent to “re-cast” the human constitution as to re-cast the principal part of the science of Political Economy, the field is open to him and his duty clear.

Let us see in what way Mr. George has builded better than he knew.

On pages 475 to 485 inclusive, Mr. George paints a frightful picture of the corruption of American democracy—and a still more frightful one of its vicious tendencies. If a tithe of what he writes be true, and we fear there is little reason to doubt it, it makes his scheme for abolishing poverty one of the wildest folly and madness.

"In a corrupt democracy the tendency is always to give power to the worst. Honesty and patriotism are weighted and unscrupulousness commands success. The best gravitate to the bottom, the worst float to the top, and the vile will only be ousted by the viler."

"A corrupt democratic government must finally corrupt the people, and when a people become corrupt there is no resurrection. The life is gone; only the carcass remains; and it is left but for the ploughshares of fate to bury it out of sight."

"A corrupt democratic government must *finally* corrupt the people."

If Mr. George had applied to this last sentence a little of that finer faculty of discrimination on which he plumed himself when he "went for" the "confusions" and "ambiguities" of the "great thinkers," he might have seen that a "democratic government" is a government of the people *by* the people for the benefit of the officeholders; and that again he has put the cart before the horse in making the government "*finally*" corrupt the people, since a corrupt democratic government is impossible till the people make it so. A demagogue would not like to say that out loud, but Mr. George comes pretty near to locating the rottenness at the core when he says

—"that it is harder to arouse the people to the necessity of reforms and more difficult to carry them out."

And still nearer in these words:

"There is no mistaking it—the very foundations of society are being sapped before our eyes." (P. 481.)

And finally thus hits the nail on the head :

"It is not from top to bottom that societies die ; [rot ;] it is from bottom to top." (P. 487.)

On page 482 he informs us that any one who has money enough and wants to kill another, can go into any great business center and "gratify his desire and then surrender himself to justice [he means, to the sheriff] with the chances as a hundred to one that he will" get off with a paltry matter of fine and imprisonment.

"And so if a man steal enough to get off with a fortune, he will be greeted by his acquaintance as a viking might have been greeted after a successful cruise. Even though he robbed those who trusted him ; even though he robbed the widow and the fatherless, he has only to get enough, and he may safely flaunt his wealth in the eyes of day." (P. 482.)

All of which we most devoutly believe — nay, know to be true. But does that point to a corrupt democratic government? Even Mr. George, by "the sundry contemplation" of this universal depravity, is constrained to say that "the people themselves are becoming corrupt."

Becoming, indeed! Is there anything but the saving grace of saltpetre for such a people? "Fit to govern! No, not to live." Death and a little dirt, for charity! — and the hope of resurrection.

A corrupt people can appeal only to its own corruption. If it is "harder to arouse the people," it is because the people are too corrupt to care. The alternative of a tragic end for such a people, is a sharp turn. To avert the impending calamity, we are not only ready to abolish property in land, and confiscate rent, but to abolish all property, confiscate every dollar of wealth in the land and re-distribute it as alms, or dues, to every man, woman and child an equal share. But would that avail? Is that the way? Who shall confiscate? Who hold the wealth? Who distribute? Who maintain the equality of the distribution? Where are the just men made perfect that shall do these things? Can a government of brigands—"a banditti"—be charged with the sacred duty? Can a people so corrupt that it cannot be "aroused to reform," be intrusted with it? In a country where it is next to impossible to get an honest man elected or appointed to office—where honest men are neither wanted, nor want to be—where the people have jobs that honest men will not do—and where appointing powers have schemes which only unscrupulous friends can aid—where are we to look for means to effect a just and equal distribution of wealth or maintain it when made? These are questions

to be asked—and answered before Mr. George's plan can ever be thought of, not to say *tried*. The conditions precedent to a just apportionment of wealth, are a wrong-hating and a justice-loving people. First this, and then all the rest comes of itself. To this, there is but one way. What that is, Mr. George himself tells us in his book on page 473 :

“Political economy and social science cannot teach any lessons that are not embraced in the simple truths that were taught to poor fishermen and Jewish peasants by One who, eighteen hundred years ago, was crucified—the simple truths which, beneath the warping of selfishness and the distortions of superstition, seem to underlie every religion that has ever striven to formulate the spiritual yearnings of man.”

When a people embrace the religion that embraces these simple truths, and live by it, that people is safe. There is no other lesson to be learned before that—nor much need of any after that.—“Supply and demand,” “Law of competition,” “Law of least exertion,” “Pressure of population” wilt and wither before such a Political Economy as that. “Seek ye first the kingdom of God and His *righteousness* and all these things shall be added unto you.”*

On page 489 Mr. George dwells upon the

* If there be need of evidence that this is not a sentimental impracticability, see the case cited on page 235. note, of this Review.

"evils arising from the unjust and unequal distribution of wealth," and of the " manifold evils " which spring from a denial of justice ; and repeatedly, throughout his book, gives us vivid pictures, and in our judgment in nothing overwrought, of the appalling injustice which prevails everywhere—in high and low places in all communities. Then on page 490 we are told that "when we view things on a large scale, justice seems to be the supreme law of the Universe." And further down on the same page stand these words :

"And so there come beggars in our streets and tramps on our roads, and poverty enslaves men whom we boast as political sovereigns ; and want breeds ignorance that our schools cannot enlighten ; and citizens vote as their masters dictate ; and the demagogue usurps the part of the statesman ; and gold weighs in the scales of justice ; and in high places sit those who do not pay to civic virtue even the compliment of hypocrisy ; and the pillars of the republic that were thought so strong already bend under an increasing strain."

And on pages 486-487 :

"In every civilized country pauperism, crime, insanity and suicides are increasing. In every civilized country the diseases are increasing which come from overstrained nerves, from insufficient nourishment, from squalid lodgings, from unwholesome and monotonous occupations, from premature labor of children, from the tasks and crimes which poverty imposes upon women."

And thus the "*supreme* law of the universe, the highest in authority and power, is set aside,

overruled, annulled, by the petty might of man and private ownership of land.

So far as we have been able to trace the course of history, this "supreme law of the universe" has been made from the beginning to take a back seat.—The first man born of woman was a lawless ruffian who beat out the brains of his mild-mannered and pious-hearted brother. And this long before there was any monopoly in the ownership of land. And if Mr. George had been permitted to sit in the clouds and watch the career of the centuries, on as "large a scale" as the globe itself, he would have seen the Supreme Law of Justice everywhere driven to the wall, and violence, rapine and bloody-handed murder running headlong and rampant over the face of the earth. The larger the scale the more unjust it looks to human view. To the All-seeing Eye it may be different. If justice be the final issue of it all, it is *all* right. All is well that ends well. All things work together for good—when they work to that end. The end cannot be right unless the beginning be right—both or either being proof that it was right all the way along.

A few words on this question of laws, may present in a clearer light Mr. George's extreme superficiality upon a subject which he treats

with such an air, not to say affectation, of profundity.

In the minds of many people there is with the word *law* a "suggestion," a half-conscious, mental postulation of a force, a law-making power, competent to ordain and enforce the law. This conception of a "superadded entity," of a something "ab extra," which so spontaneously associates itself with the phrase "a Law of Nature," is, perhaps, the true one for every *law*. There is no fault of uniformity in the law of gravitation. You cannot *break* the law of gravitation. You may *illustrate* it by dropping an apple, or yourself, from the brink of a precipice, but you cannot violate or suspend it.

A State, or municipal, law, is, more properly speaking, (on either the "mechanical" or "dynamic" theory of the universe,) a rule of action laid down by the supreme power, in the given community, for the regulation of human conduct. And even here it is, strictly speaking, law only so long as it is enforced with exactitude and certainty. Otherwise it is a "dead letter." It may still stand formulated on the statute book; but, whether impracticable *per se* or by fault of public sentiment, it is the shroud only, and not the soul or body of a living law.

When we say that events occur "‘in compliance with a law of Nature,’ we only mean that such is *universally the fact*; and so in other cases." Nevertheless, there is, in most minds, "this suggestion," as Mr. Lewes states it, of a something, back of the law, capable of causing this invariable, or "universal," compliance.

In the light of this view of the term, what becomes of Mr. George's "Supreme Law of the Universe"? Ought not the supreme law of the universe to be as much a universal fact as the law of gravitation? Can Mr. George point to any page of a history where the law of justice is recorded as the universal fact? Does he even attempt to do it? No; he cries to the "crag and peaks," with all his voice, that *injustice* is the universal fact. Puny man has repealed this "supreme law of the universe"; "everywhere" wrong and outrage rule the world; "everywhere" there is an increasing strain to "prevent being thrown down and trodden under foot"; (p. 486;) everywhere "pauperism, crime, insanity and suicides are increasing"; everywhere "manifold evils" "spring from a denial of justice"; (p. 489;) "everywhere" are "all considerations of justice, mercy and religion trampled under foot"; (p. 418;) the whole burthen, refrain — nay, the final

cause, of Mr. George's book, is the "universal fact" of wrong and crime and injustice. The whole world is an "ulcerous ant-hill!" (P. 474.) It is to reinstate the abolished law—to right the measureless wrongs, that Mr. George would scour the earth and turn the world upside down.

And yet, still consistent to his inconsistency, he tells us that he is—making all this fuss for nothing; that "Justice will not be denied"; that she cannot even "be put off"; (p. 494;) all the crimes and miseries of the world "spring from the denial of justice" that "*will not be denied.*"

If Mr. George should seek to turn the edge of this criticism by repudiating the notion of the uniformity or inviolability of the Laws of Nature; of a "superadded entity," an "all-compelling" potency like that asserted for his social law of gravitation, the "law of least exertion," which, he tells us, "is as inseparable from the human mind as attraction is from matter"; his only alternative is the theory that the Laws of Nature are but the "relation of coëxistence and succession"; or, according to Whately, it "is the *observance that constitutes the law.*" Which only makes it so much the worse for Mr. George. For, where is the evidence of the uniform "compliance"—of the

universal "observance," that constitutes the law of justice the "supreme law of the universe"? All that lies between the covers of Mr. George's book points to the non-observance of his law. And—what would be pitiful if it were not so ridiculous—Mr. George himself deliberately degrades this law from its high place at the head of the universe to make it play second fiddle to his theory of progress. The first essential to progress is "association"; the second is "justice."—And justice is the same thing as "equality." (P. 457.) And so *equality*, by "going a progress" through Mr. George's logic, turns out to be the supreme law of the universe.

On page 495 Mr. George asks :

"Can it be that the gift of the Creator may be thus misappropriated with impunity? Is it a light thing that labor should be robbed of its earnings while greed rolls in wealth—that the many should want while the few are surfeited?"

We answer, No—"everlastingly, No!" But that is precisely what your boasted "Liberty" enables men to do. It is precisely that which enables the national "Saul" as well as the individual Saul to tower "amid his brethren—taller and fairer"—richer and fatter. (P. 491.)

"Turn to history, and on every page may be read the lesson that such wrong never goes unpunished; that the Nemesis that follows injustice never falters nor sleeps!"

There may be justice in punishment, but punishment is not justice. Nemesis may be an avenger of wrong, but she is not a vindicator of the right. She may bring retribution, but not restitution. The pains of the guilty are no indemnity for the wrongs of the innocent. If every wrong done in the world instantly received the full penalty of the crime, it would not undo the wrong nor set the innocent victim right. The punishment that does not undo the wrong and indemnify the wronged, but poorly subserves the ends of Justice.

"But if, while there is yet time, we turn to Justice and obey her, if we trust Liberty and follow her, the dangers that now threaten must disappear, the forces that now menace will turn to agencies of elevation." (P. 496.)

Mr. George never seems to be weary of extolling and eulogizing Liberty. (Pp. 491-493.) But we say again—and the more we read Mr. George's book the more are we persuaded of its truth—*liberty* has but little to do with it. You may preach the gospel of Justice from every house-top in the land—in the world—it will not *persuade* men to do right so long as they have *liberty* to do otherwise. The mass of mankind are ruled neither by the love of Justice nor the voice of Reason. The nation that spends annually more money for tobacco

and rum ; hundreds of millions of dollars more annually to enervate, emasculate, demoralize and debase than to educate and elevate its people, is contaminated to the very center of its heart and soul. It has neither justice, reason nor common sense. And, on the vital question of knowing how to *live*, it is "as ignorant as dirt."

What has such a people to do with liberty ? It is law that is wanted, and power to execute it. The power of the State must be lodged in the hands of men resolved and able to *compel obedience to law*. It is (again we say it) not more liberty, but more obedience and justice that is wanted. There must first be wise and *just* men to make *just* laws ; then just and *able* men to execute them. "Restraint" and "*compulsion*" — not "liberty" — are the words for mankind. Man may have the power but not the liberty to do wrong ; he is *free* only to do right ; which he should not only always be free to do, but never free to leave undone. The only true freedom is absolute subjection to law. The wise and just man asks nor needs any other law. The function of the State, the use, the end of Government, is to "haud the wretch in order" ; to protect those who are a law unto themselves "from the ignorance and selfishness

of man in refusing to conform to natural laws." (P. 502.)

"Unless its foundations be laid in justice the social structure cannot stand." (P. 493.)

These are the words that are worth more, by far, than all the rest of Mr. George's book. It is neither Land nor Liberty, nor both, but *Justice* that will set the world to rights. When the ends of public and private life are shaped by that Divinity, then will there be peace on earth and *good* will among men. And not till then. Till then, nations will continue to rise up in blood and go down in shame.

"That stability of friendship which we have previously discussed, can be secured only among such men as are primarily affiliated by good will; who control those passions to which others are enslaved, and who delight in kindness and justice; who undertake all things one for another, and never demand from another anything except that which is honorable and right; and who shall not only respect and love, but revere one another." *

All the conditions of the heavenly bodies are determined by the law of gravitation. And, according to Mr. George, all the conditions of

* "In talibus ea, quam jamdudum tractamus, stabilitas amicitiae confirmari potest, quum homines benevolentia conjuncti primum cupiditatibus iis, quibus ceteri serviunt, imperabunt, deinde aequitate justitiaque gaudebunt, omniaque alter pro altero suscipiet, neque quidquam umquam nisi honestum et rectum alter ab altero postulabit, neque solum colent inter se ac diligunt, sed etiam verebuntur."

Cicero.

social life are determined by the "law of least exertion." What the one law is to the physical world the other is to the social world. The inference is, that you can change the order of neither without abolishing the fundamental law, or, at least, by so modifying it that it will no longer be the same law.

If this "all-compelling" principle of selfishness in the human soul cannot be *educated* to see that the way of *truth, love and justice* is the way of "least exertion," then there is no hope for man in the abolition of land-tenures or anything else short of the regeneration or reorganization of human nature, or of a power to *compel* men to do what they cannot be made to see it is their interest and duty to do. If there be no way to make men honest, nor to make them *act* like honest men—start them as many times, and on whatever terms of equality you please—you will be forced to see them run the same courses to come to the same issues at last. Men are not born equal. They do not have an equal start nor an equal chance. Whatever their measure of liberty before the law, they are in bondage to their own passions and weaknesses; they have not equal "power" "to avail themselves of the opportunities and means of life"; they do not, and cannot, "stand on

equal terms, with reference to the bounty of Nature." Esau was taller than Jacob, and Jacob was sharper than Esau, and Saul towered above his brethren. And each had full "liberty" to use his special gift on the raw material of Nature, and to make, take and hold, as his own, "the good things of this world," according to his "different powers and desires," and to receive "unimpaired the full reward" of his superior "industry, skill, knowledge or prudence," with no man to molest or make afraid. These are the words of the same writer who tells us that "the law of progress is association in equality."

Not till the law of *Justice* take the place of the law of least exertion, can man be restrained from using his superior gifts for his own behoof. The stronger will say to his weaker brother: "Go thou and do this!"—and to himself: "Soul, take thine ease!" This is the logic of the social law of gravitation as set up by Mr. George.

RESUMÉ.

A SUMMARY of Mr. George's industry stands about thus : Nearly all the ills the body politic is heir to spring from poverty ; poverty and all its " manifold evils " " spring from a denial of justice." They are " from no other cause than that labor is denied access to land," and many times we are told that poverty results from the unequal distribution of wealth, and that the remedy, as a matter of course, must be an equal distribution ; if not that, what ? * The laborer,

* But by equal distribution Mr. George does not mean equal distribution, *i. e.*, equal amounts of wealth to each individual, but different individuals are to have according to their " different powers and different desires." The wealth is to be distributed in accordance with the degree " of industry, skill, knowledge and prudence of each." That is, what each contributes to the common stock, the common stock will distribute back to him. (P. 407.) For example: Equality of distribution of \$100,000 among one hundred men, does not mean \$1,000 for each man, but distribution according to their different powers and desires. So that, if one of the one hundred men have as much power and desire as the other ninety-nine, he gets \$99,000, and the other \$1,000 is distributed among the other ninety-nine

the creator of wealth, is robbed of the fruit of his labor by the landlord ; there is no conflict between labor and capital ; wages are not derived from capital—are in no wise dependent upon capital—but are the direct product of labor ; the real conflict is between labor and rent ; rent is the offspring of private ownership in land ; private ownership in land is a robbery and a fraud, essentially the curse of the world ; almost if not quite the sole cause of all the evils which afflict the family of man ; the landlord, by commanding the produce of the soil, has mastery of the world, the power of life and death over the men who cultivate *his* ground ; the relation which subsists between the landlord and the laborer is worse than that which obtains between the slaveholder and his slave ; whatever labor produces beyond a bare living wage, — whatever machinery produces, — whatever the combined energies of labor and capital produce, is swallowed up by rent ; whatever tends to increase productive power—increase of

men, equal to \$10.10 each, as against \$99,000 for one. And, if one of the ninety-nine men should chance to have as much power and desire as the remaining ninety-eight, he would take $\frac{1}{99}$ of the \$10.10, or nearly all, leaving but ten cents and two mills for distribution among ninety-eight men, or a small fraction over one mill for each—which illustrates the principle of the "equal distribution of wealth," according to Mr. George's interpretation of the phrase "equality of distribution."

population, improvements in machinery, frugality, morals, education, good government, the complete efflorescence and full fruit of all the virtues, redound to the benefit of the landowner and recoil as a curse upon the laborer and the capitalist;—these all combine to despoil labor and capital of their dues; to swell the returns of rent; the “Law of Rent” is such as to make it inevitable that all material, and all moral, and all intellectual, all social progress, should tend to deepen and widen the gulf between the rich and the poor, making the rich richer and the poor poorer—setting more and more in glaring contrast the blessings of Wealth and the miseries of Progress, the mother of Poverty.

The remedy for this is “included in the motto of those Russian patriots sometimes called ‘Nihilists’—‘Land and Liberty!’”—abolition of all private ownership in land “without compensation,” and its restoration as the common property of the human race.

Liberty is the synonym of Equality; equality is equal distribution of wealth; equal distribution of wealth is abolition of poverty—the banishment of want and the fear of want—in a word, perpetual elysium in exchange for the present universal shambles. (Pp. 408–410.)

Mr. George makes the assumed delinquencies of all precedent political economists his opportunity ; he ostentatiously rejects many of their definitions, and then substantially adopts them ; he denies the current doctrine of the relation of capital to labor ; professes to have refuted the theory of Malthus, to have alone discovered the true cause of the evils of poverty—to have found it in the “law of rent,” and to have suggested the only remedy. The emancipation from “feudal bonds” was followed by “the enslavement of the working classes,” and the “iron yoke” of rent is the cause of all those evils which political economists have made the “mistake” of attributing to “the pressure of natural laws, and workmen for the oppressions of Capital.” (P. 341.)

Mr. George certainly promised much in the way of breaking through the crust of old errors and letting light into counsels darkened by the words of such illustrious writers as Smith, Mill, Ricardo, and other “great thinkers” ; but it does not appear that he has redeemed his promises. He has not overthrown any principles or generally-accepted doctrine ; he has not exposed any “fallacies,” set up any new facts, or presented any old ones in a new light, — has not solved any “problem,” cleared up any mystery,

nor suggested any original truths, unless we have to except his fruitless attempt to force the definition of the word "wages." His first and chief endeavor has been to furnish arguments to sustain his theory that that portion of the produce of labor which writers have hitherto agreed to call "capital" ought to be called "wages," and something else called "capital"; and so give countenance to the proposition that wages are not drawn from capital, but from the products of labor, when it is apparent that capital itself is mainly the product of labor, and becomes wages when it is used for the payment or maintenance of labor. But to admit that capital can be used in this way is fatal to Mr. George's fundamental proposition, that roots, nuts, oysters and wild berries are wages, and that, therefore, all the product of a man's labor belongs to himself—the demonstration of which, by his own declaration, is indispensable to his Quixotic scheme of abolishing poverty by confiscating rent, and to his not over-modest attempt to re-cast the science of Political Economy.

INDEX.

- A boomerang, 305.
 Abstinence, 130-131.
 Accumulation, 162.
 Adam Smith, 7, 33, 52, 85, 203, 325.
 Adams, Charles Frederick, 249.
 African slavery, 261.
 Ambiguities, 40.
 Analysis and synthesis. 112-119.

 Bait and subsistence, 20.
 Banditti, 253-255.
 Banish want, 265, 266, 269, 280-281
 Barbarism, 186.
 Bastiat, 132.
 Bergh, Henry, 193.
 Buckle, 85, 88, 121-123.
 Bunce, Oliver B., 241, 277.

 California, 18-19, 20, 102-104, 150.
 Capital, 2-6, 8, 14-25, 27-28, 36-39, 46, 66-69, 79-81, 83, 126, 152, 168.
 Capitalists, 35.
 Childs, George W., 238.
 China, 156.
 Cicero, 319.
 Coin and eggs, 64.
 Common ownership, 252.
 Concrete result, 144, 136, 138.
 Credit, 5.
 Crime and inequality, 223.

 Definition no consequence, 45.
 Demand, 195, 196-200, 204-266.
 Demand for work, and labor, 203, 204.
 Democracy corrupt, 307-309.
 Distribution, dual, 171.
 Divers instances, 194.
 Division of labor, 13, 39.

 Emerson, R. W., 15.
 Employ, 50.
 Employment, 5.
 "Environment," 287-288.
 Equality and freedom, 293.
 gravitation, 221.
 progress, 293.
 of distribution, 322 (note).

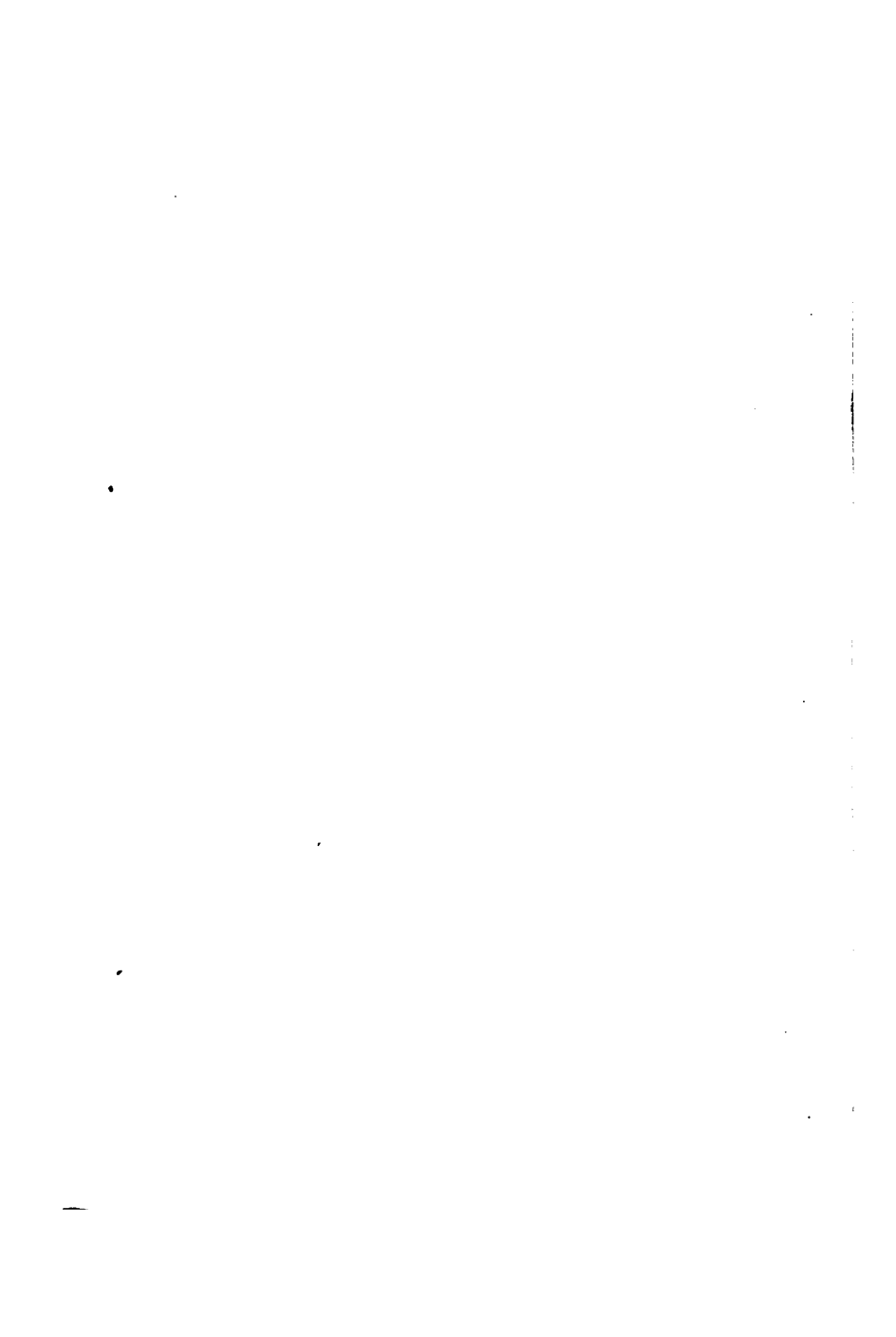
 Farms, large and small, 222.
 Fish, stored up, 26.
 Freedom, cause of poverty, 260.
 synonym of equality, 300.

 George, Henry, as Hercules, 91.
 pessimist, 314.
 prophet, 273-276.
 Government bonds, 146-148.

 Habit, 283.
 Heredity, 281-286.
 Honor among thieves, 253.

- House and lot, 229.
 Human exertion, 149.
- Identity of wages and capital, 153.
 labor and capital, 163.
- Improvements, 215.
- Industry and capital, 79.
- Inequality, 299.
 not injustice, 298.
- Inherited property, 77.
- Institutes of Menu, 17.
- Insurance, 17.
- Interest, 11, 12, 16-18, 120-124, 131,
 143, 149, 150.
- International Review, 224.
- Invention, 182-184, 258-260.
- Jones, Jesse, 224, 226.
- Justice the supreme law, 269.
- Juxtapositions, 263.
- Labor, 2-5, 7, 51, 79-80.
 divided, 13, 29.
 hired, 30.
 how maintained, 23, 29.
 stored up, 28.
 "not the curse," 271, 279.
- Land and liberty, 220.
 ownership, 243.
- Laveleye, M. de, 246.
- Law of gravitation, 313.
 interest, 151.
 least exertion, 107-112,
 156, 264, 267, 288, 320.
- Law of Nature, 313-314.
 Political Economy, 310.
 progress, 296.
 self-interest, 239.
- Liberty, 315-317.
 synonym of equality, 324.
 and equality, 249, 257.
- Liberty fatal to equality, 249.
- Losses, 71.
- Lost and won, 217-218.
- Macaulay, 43.
- Machinery, 258, and wages, 123.
- Malthus, 84-96, 112, 175, 180, 185,
 215, 325.
- Malthusianism, 260.
- Man belongs to himself, 227.
- Menu, Institutes of, 17.
- Metaphors, 50, 55.
- Might and right, 95.
- Mill, John S., on capital, 31-34, 36,
 51, 78, 86, 88, 98, 101, 108,
 111, 122, 124, 126, 146, 203,
 325.
- Motor nerves, 226.
- Money, 63.
- Municipal law, 313.
- Natural opportunities, 168.
- Native force vs. environs, 270.
- Niggardliness of Nature, 109-110.
- Nihilists, 324.
- Non-essential differences, 44.
- Odds and ends, 153.
- Odium theologicum, 88.
- Olla podrida, 159-161.
- Omnipotence and omniscience, 27.
- Overproduction, 195.
- Ownership, 189-190, 225-226.
- Political Economy arraigned, 1.
- Population, 21, 81, 94.
- Popular Science Monthly, 241.
- Poverty, 1, 105, 211.
 cause of, 1, 107, 322.
- Prize-fighters, 254.
- Proceeds and products, 65.
- Procrusteanism, 257.

- Production, three elements of, 164.
 extension of, 167.
 the factors of, 173.
 Productive power, 1-2, 9-10, 21,
 82, 176.
 Profits, 120-127.
 Progress destroys progress, 280.
 Promise and performance, 325.
 Property, magic of, 250.
 Punishment, 317.
- Reflections, 188.
 Rent, 36, 211-212.
 Recardo, 203.
 Resumé, 322.
 Rewards of industry, etc., 224.
 Right of property, 228.
 Root- and gold-diggers, 18, 35.
- San Francisco, 208, 218.
 Security to labor, 250.
 property, 251.
 Self-employment, 53, 54, 56.
 ownership, 227, 232.
 Smith, Adam, 7, 33, 52, 85, 203,
 325.
 Social law of gravitation, 264.
 Social responsibility, 248.
 Survival of the fittest, 144.
- The Corliss engine, 14, 74.
 equations, 126-127.
- The everlasting flux, 140.
 Gothard tunnel, 73.
 hut and the palace, 177.
 labyrinth, 301-304.
 land-owners, 172.
 momentous moment, 67.
 next quarter section, 165-170.
 odds against wages, 215.
 people corrupt, 245, 308.
 plane example, 132-142.
 primitive man, 12, 72.
 problem, 1.
 promise, 300.
 root of the evil, 191-192, 306.
 self-employing laborer, 53-55.
 ship example, 179.
 supreme law, 311-312.
 true principle, 319, 320.
 whaling vessel, 57-64.
- Time, the cause of interest, 144.
- Wages, 2, 3, 5, (trench on capital,
 4,) 8, 9, 11, 14, 16, 22, 23, 25,
 30, 31, 33, 36, 40, 68, 83, 120-
 221.
 Want, banish, 265.
 Wealth, 36, 77, 81, 152, 207, 211.
 distribution of, 128.
 equal distribution of, 256.
 Whately, 315.
 Work, no want of, 201.



UNIVERSITY OF MICHIGAN



3 9015 06393 3967

**DO NOT REMOVE
OR
MUTILATE CARD**